A2200-7-F

MEDICAL GROUPS IN THE U.S. 1984

SURVEY & DATA RESOURCES
American Medical Association

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American Medical Association
P.O. Box 10946
Chicago, IL 60610

PBF 85-421 1.5M 10 85

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Foreword

The practice of medicine in the U.S. has changed rapidly in the past decade as illustrated by the proliferation of new forms of medical care delivery and the tremendous growth in the number of medical group practices. The 1984 edition of Medical Groups in the U.S. describes this growth and responds to the need for information about this practice form by describing both changes in and current characteristics of medical groups. The 1984 edition extends the 1980 edition by presenting never-before-collected data on medical groups' access to medical facilities and equipment and employment of administrative personnel.

Although the American Medical Association has periodically conducted census surveys of medical groups in the past, this publication represents a departure from former efforts. Based on the AMA's 1984 census survey, Medical Groups in the U.S. 1984 marks the initiation of a comprehensive data base on group practices that includes continuous updating in non-census years, yielding more complete and current data.

By increasing our knowledge of group practice operations, Medical Groups in the U.S. 1984 continues the Association's unique role as a comprehensive source of information for both providers and users of the American health care system.

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Acknowledgements

The author wishes to express her deep appreciation to the individuals in the American Medical Association's Department of Survey Design and Analysis who contributed to this 1984 Census of Medical Groups. This report would not have been possible without the efforts of Beth Kohn Keister, formerly with the Association, who played a major role in the survey process.

Sincere thanks are extended to Michael Miller for his invaluable programming assistance and to Sharon Baker for her help in the preparation of the manuscript.

The assistance of the Medical Group Management Association and the American Group Practice Association in the development of the population frame and the design of the survey instrument are greatly appreciated.

Chapter 1

Introduction and Methodology

The American Medical Association (AMA) has collected information about physicians since the early 1900s and has conducted surveys of U.S. medical groups periodically since 1965 to monitor changes in practice patterns. These surveys have revealed that both the number of medical groups and the number of physicians practicing in medical groups are increasing. It is also clear that medical groups and the other emerging "alternative" forms of delivery have implications for the quality, quantity, cost of and access to medical care delivered. Professional opportunities available to physicians and physician satisfaction are also affected by these alternative forms. Because medical groups are becoming an increasing significant component of a changing health care delivery system, and because of the implications for the system, they warrant further study.

The purpose of this report is to describe medical groups, using the data collected by the AMA's most recent census of medical groups. The AMA defines group practice as "three or more physicians formally organized to provide medical care, consultation, diagnosis and/or treatment through the joint use of equipment and personnel, and with income from medical practice distributed in accordance with methods previously determined by members of the group."* This definition was derived in conjunction with the Medical Group Management Association (MGMA) and the American Group Practice Association (AGPA), and was adopted by the AMA's House of Delegates in the 1960s.

The remainder of this chapter describes the methodology of the 1984 Census of Medical Groups and the presentation of the results.

*Other definitions of medical groups may be found in the literature.

Methods

The survey population of the 1984 Census of Medical Groups consisted of the medical groups that meet the AMA's definition of group practice. The population frame was assembled from a variety of sources: the 1980 AMA survey of group practices, the interim AMA Census of Physicians' Professional Activities, the 1983 membership rosters of the AGPA and the MGMA, and lists obtained from other relevant organizations.

The identified, potential medical groups were surveyed by mail. The data were collected over four mailings. The first mailing was conducted in September of 1983, and the last was conducted in March of 1984.

A longer, more detailed questionnaire was used in the first two mailings. This long form elicited information such as whether or not the group met the AMA's definition, group size, specialty, legal form of organization, percentage of prepaid care, relationship with a hospital, administrative personnel employed, on-site ancillary facilities, ownership of a videocassette recorder (VCR), current and future computer use, memberships paid by the group, and the existence of a parent/satellite clinic arrangement. Basic background information on groups consisted of measures of group size and specialty. Questions pertaining to percentage of prepaid care, legal form of organization, hospital relationship, and administrative personnel employed, measured the organizational complexity of medical groups. The measures of on-site ancillary facilities were designed to tap the scope of services medical groups provide. Such information also provides a measure of the independence each group has. Information on VCR ownership and computer use was collected to examine the technological sophistication of medical groups regarding practice management.

The short version used in the last two mailings was designed to facilitate and encourage response. This form asked whether the group met the AMA's definition, the number of physicians in the group, and whether the group was single specialty, multispecialty, or family or general

practice. Single specialty groups were asked to indicate their specialty. Groups were also asked whether they were part of a parent/satellite clinic arrangement.

A response rate of 86.9 percent was obtained, a total of 15,485 groups. Of these 15,485 groups, 4,242 responded to the short form.

While medical groups in 1984 were similar in most respects to medical groups in 1980 (as chapter 2 will describe), fewer multispecialty groups were found in the 1984 Census of Medical Groups than in the 1980 Census. This may mean that the number of multispecialty groups is decreasing, or it may mean that with the changes taking place in the health care environment today, physicians in certain non-solo multispecialty arrangements may simply not identify with the traditional concept of medical group practice and may not have responded to the survey.

Presentation of Results

This report is organized as follows: Chapter 2 describes trends in group practices using data from the 1984 census and previous surveys. Chapter 3 contains an executive summary of the survey findings. Chapters 4 through 9 describe the statistics pertaining to the major survey topics.

Major variables presented in this report are analyzed by the specialty composition of the group (single specialty, multispecialty, and family or general practice) and the size of the group. These two variables are highly related to most other variables. Some major variables are also analyzed by additional variables as appropriate.

In addition to presenting data on medical groups, this report describes group physician positions. Positions in groups are not equivalent to physicians in groups: one physician may occupy positions in more than one group. The number of positions reported by groups probably exceeds the actual number of physicians in groups.

Chapter 2

Trends in Medical Groups

Prior to the 1984 census, the AMA conducted surveys of all U.S. medical groups in 1965, 1969, 1975, and 1980. This chapter examines trends in medical groups by presenting comparable data from the four most recent surveys. (Due to an inconsistency in the definition of group practice used in this survey, data from the 1965 survey are not presented).

Table 2-1 presents the changes in the numbers of groups and group physicians recorded by the AMA surveys since 1969. The number of groups has grown by 143 percent since 1969. The number of group physicians more than doubled between 1969 and 1980. Since the 1984 survey reported physician positions rather than physicians*, it is difficult to determine the extent of growth in the number of group physicians since 1980. Given previous trends, however, it is likely that the number of group physicians increased considerably in the early 1980s. Other tables record the changes in the specialty composition of groups, the size of groups, the census division of groups, the legal form of organization of groups and the percentage of prepaid care provided by groups.

Changes in Specialty Composition

Single specialty groups, the most common group type since 1969, (Table 2-2) are becoming more common. Single specialty groups represented about 50 percent of all groups in 1969; they now represent 70 percent of all groups. Single specialty groups have grown by 235.6 percent since 1969.

*Positions in groups are not equivalent to physicians in groups. Since a physician may be on the roster of more than one group, the number of positions reported may overstate the actual number of physicians in groups.

Table 2-1: Total Groups and Group Physicians, 1969-1984

Year	Total Groups	Group Physicians
1969	6,371	40,093
1975	8,483	66,842
1980	10,762	88,290
1984	15,485	140,392[a]

[a]This figure represents physician positions. This figure was obtained by asking groups for their number of members. Since physicians may practice in more than one group, this figure may over estimate the number of group physicians.

Table 2-2: Total Groups by Specialty Composition of the Group, 1969-1984

Year	Specialty Composition: Single Specialty	Multi-Specialty	Family or General Practice	Total
		A. Number		
1969	3,169	2,418	784	6,371
1975	4,601	2,976	906	8,483
1980	6,156	3,552	1,054	10,762
1984	10,635	2,781	1,770	15,186[a]
		B. Row Percent		
1969	49.7	38.0	12.3	100
1975	54.2	35.1	10.7	100
1980	57.2	33.0	9.8	100
1984	70.0	18.3	11.7	100

[a]Excludes 299 groups whose specialty composition was unknown.

Multispecialty groups are a decreasing proportion of all group practices. Multispecialty groups represented 38.0 percent of all groups in 1969, but only 18.3 percent of all groups in 1984. The number of multispecialty groups responding to the census has actually decreased by 21.7 percent since 1980.

Although family or general practice groups have increased by 125.8 percent since 1969, they represent almost the same percentage of the medical group population in 1984 as they did in 1969.

The number of physicians in single specialty groups is growing, and physicians in single specialty groups are a larger proportion of all group physicians than they were previously (Table 2-3). The number of physicians in multispecialty groups also appears to be growing. In every survey year, more physicians practiced in multispecialty groups than in the other types of groups, however, physicians in multispecialty groups currently represent a smaller proportion of group physicians than they did previously. The actual number of physicians in family or general practice groups appears to be growing, but remains a stable proportion of all group physicians.

Changes in Size

The average size of all groups has grown from 6.3 in 1969 to 9.1 in 1984, an increase of 44.4 percent (Table 2-4). The average size of all groups has increased by 11.0 percent since 1980. The average size of multispecialty groups has grown exceptionally, from 10.1 in 1969 to 26.6 in 1984, an increase of 163.4 percent. Nearly one-half of this growth occurred between 1980 and 1984.

Changes in Census Division

The number of groups in nearly every census division grew at a greater rate during the early 1980s than during the 1970s (Table 2-5). The greatest growth in group practices occurred in different census divisions

Table 2-3: Total Group Physicians by Specialty Composition of the Group, 1969-1984

Year	Specialty Composition: Single Specialty	Multi-Specialty	Family or General Practice	Total
		A. Number		
1969	13,053	24,349	2,691	40,093
1975	23,572	39,311	3,959	66,842
1980	29,456	54,122	4,712	88,290
1984[a]	59,917	69,371	9,839	139,127[b]
		B. Row Percent		
1969	32.6	60.7	6.7	100
1975	35.3	58.8	5.9	100
1980	33.4	61.3	5.3	100
1984	43.1	49.9	7.1	100

[a]The figures for 1984 represent physician positions. These figures were obtained by asking groups for their number of members. Since physicians may practice in more than one group, this figure may over estimate the number of group physicians.

[b]Excludes 1,265 physician positions in groups whose specialty composition was unknown.

Table 2-4: Average Size of Group by Specialty Composition of the Group, 1969-1984

Year	Specialty Composition: Single Specialty	Multi-Specialty	Family or General Practice	Total
1969	4.1	10.1	3.5	6.3
1975	5.1	13.2	4.4	7.9
1980	4.8	15.2	4.5	8.2
1984	5.8	26.6	5.7	9.1

Table 2-5: Total Groups by Census Division, 1969-1984

Year	New England	Middle Atlantic	South Atlantic	East North Central	East South Central	West North Central	West South Central	Mountain	Pacific	Possessions	Total
					Census Division						
					A. Number						
1969	249	690	892	1,190	406	792	703	358	1,077	14	6,371
1975	476	1,064	1,277	1,613	507	930	755	481	1,358	22	8,483
1980	652	1,384	1,793	1,925	662	1,102	953	597	1,660	34	10,762
1984	859	2,161	2,692	2,780	959	1,462	1,301	903	2,304	64	15,485
					B. Row Percent						
1969	3.9	10.8	14.0	18.7	6.4	12.4	11.0	5.6	16.9	0.2	100
1975	5.6	12.5	15.1	19.0	6.0	11.0	8.9	5.7	16.0	0.3	100
1980	6.1	12.9	16.7	17.9	6.2	10.2	8.9	5.5	15.4	0.3	100
1984	5.5	14.0	17.4	18.0	6.2	9.4	8.4	5.8	14.9	0.4	100
					C. Average Annual Rate of Change [a](Percent)						
1969-1975	11.4	7.5	6.2	5.2	3.8	2.7	1.2	5.0	3.9	7.8	4.9
1975-1980	6.5	5.4	7.0	3.6	5.5	3.5	4.8	4.4	4.1	9.1	4.9
1980-1984	7.1	11.8	10.7	9.6	9.7	7.3	8.1	10.9	8.5	17.1	9.5

[a]The average annual rate of change is calculated $10^{x} - 1$ where $x = (\log a/b)/c$, a is the measure at t1, b is the measure at t2, and $c = t2 - t1$.

during the early 1980s than during the 1970s. Between 1980 and 1984, the average annual rate of change was over 10 percent in the Middle Atlantic, the South Atlantic, the Mountain census divisions and the U.S. possessions. Between 1975 and 1980, the U.S. possessions had the greatest annual rate of change, 9.1 percent. Between 1969 and 1975, New England had the greatest annual rate of change, 11.4 percent.

The number of group physicians in each census division also appeared to grow at a greater rate during the early 1980s than during the 1970s (Table 2-6). During the early 1980s, the number of physician positions appeared to grow at similar rates across census divisions except in the West North Central census division, where the number grew by only 4.3 percent and in the U.S. possessions where the number grew by 35.2 percent.

Changes in the Specialties of Group Physicians

Little change has occurred in the specialties of group physicians since 1975 (Table 2-7). Physicians in each specialty comprise about the same percentage of all group physicians for every year shown.

Changes in Legal Form of Organization

The legal forms of organization that group practices tend to assume have changed considerably since 1969 (Table 2-8). In 1969, 68.7 percent of all groups were partnerships, while only 14.7 percent were partnerships in 1984. By contrast, in 1969 only 15.6 percent of all groups were professional corporations, but in 1984 this grew to 73 percent. This trend was established in 1975, and there has been little change in the legal forms of organization of group practices since 1980.

Changes in Prepaid Care

The percentages of prepaid care provided by groups have changed since 1975 (Table 2-9). The groups that provided prepaid care in 1975 were more

Table 2-6: Total Group Physicians by Census Division, 1969-1984

Year	New England	Middle Atlantic	South Atlantic	East North Central	East South Central	West North Central	West South Central	Mountain	Pacific	Possessions	Total
					Census Division						
					A. Number						
1969	1,514	4,971	5,219	6,925	1,987	4,895	4,052	1,913	8,552	65	40,093
1975	3,450	8,699	9,496	11,975	3,134	7,255	5,215	3,257	14,231	130	66,842
1980	4,850	9,868	12,423	16,863	4,369	11,241	6,992	4,563	16,976	145	88,290
1984[a]	7,657	16,692	20,409	27,143	7,426	13,323	12,151	6,639	28,468	484	140,392
					B. Row Percent						
1969	3.8	12.4	13.0	17.3	5.0	12.2	10.1	4.8	21.3	0.2	100
1975	5.2	13.0	14.2	17.9	4.7	10.8	7.8	4.9	21.3	0.2	100
1980	5.5	11.2	14.1	19.1	4.9	12.7	7.9	5.2	19.2	0.2	100
1984	5.5	11.9	14.5	19.3	5.3	9.5	8.7	4.7	20.3	0.3	100
					C. Average Annual Rate of Change [b](Percent)						
1969-1975	14.7	9.8	10.5	9.6	7.9	6.8	4.3	9.3	8.9	12.2	8.9
1975-1980	7.1	2.6	5.5	7.1	6.9	9.2	6.0	7.0	3.6	2.2	5.7
1980-1984	12.1	14.0	13.2	12.6	14.2	4.3	14.8	9.8	13.8	35.2	12.3

[a]The figures for 1984 represent physician positions.

[b]The average annual rate of change is calculated $10^x - 1$ where $x = (\log a/b)/c$, a is the measure at t1, b is the measure at t2, and $c = t2 - t1$.

Table 2-7: Group Physicians by Specialty, 1975-1984

Specialty	Year 1975 %	1975 N	1980 %	1980 N	1984[c] %	1984[c] N
Anesthesiology	6.5	4,086	6.3	4,731	6.1	7,573
Cardiovascular Diseases	2.3	1,418	2.6	1,964	3.5	4,360
Diagnostic Radiology	2.0	1,240	3.2	2,390	2.3	2,831
Family/General Practice	13.5	8,531	12.5	9,316	12.6	15,728
General Surgery	8.9	5,627	7.1	5,314	4.9	6,191
Internal Medicine	15.4	9,707	16.2	12,104	13.8	17,321
Neurology	2.1	1,305	2.5	1,855	2.2	2,694
Obstetrics/Gynecology	7.9	4,978	7.5	5,624	6.6	8,258
Ophthalmology	2.6	1,643	2.4	1,830	2.6	3,216
Pathology	3.4	2,145	3.7	2,732	3.4	4,280
Pediatrics	7.2	4,546	7.3	5,478	7.3	9,182
Psychiatry	3.3	2,051	3.1	2,333	3.2	4,020
Radiology	8.1	5,103	7.2	5,342	7.3	9,122
Other Specialties	16.8	10,582	18.3	13,687	24.3	30,359
Total	100	62,962[a]	100	74,700[b]	100	125,135[d]

[a]Excludes 3,880 physicians whose specialties were unspecified.

[b]Excludes 1,037 physicians whose specialties were unspecified.

[c]The figures for 1984 represent physician positions.

[d]Excludes 15,257 physician positions whose specialties were unknown.

Table 2-8: Total Groups by Legal Form of Organization, 1969-1984

Legal Form of Organization	Year 1969	1975	1980	1984
		A. Number		
Sole Proprietorship	174	119	110	106
Partnership	4,303	2,053	1,589	1,628
Professional Corporation	978	4,606	6,711	8,109
Association	578	484	563	560
Foundation	19	33	44	59
Other	211	252	482	643
Total	6,263	7,547	9,499	11,105[a]
		B. Percent		
Sole Proprietorship	2.8	1.6	1.2	1.0
Partnership	68.7	27.2	16.7	14.7
Professional Corporation	15.6	61.0	70.6	73.0
Association	9.2	6.4	5.9	5.0
Foundation	0.3	0.4	0.5	0.5
Other	3.4	3.3	5.1	5.8
Total	100	100	100	100

[a]Excludes 4,380 groups whose legal form of organization was unknown. Of these groups, 4,242 responded to the short-form questionnaire and thus were not asked about legal form of organization.

Table 2-9: Groups that Provide Some Prepaid Care by Percentage of Prepaid Care, 1975-1984

Percentage of Prepaid Care	Year 1975	1980	1984
		A. Number	
1-4	266	438	543
5-24	202	725	1,173
25-49	52	237	308
50-74	41	156	153
75-99	78	251	170
100	23	77	96
Total	662	1,884	2,443
		B. Percent	
1-4	40.2	23.2	22.2
5-24	30.5	38.5	48.0
25-49	7.9	12.6	12.6
50-74	6.2	8.3	6.3
75-99	11.8	13.3	7.0
100	3.5	4.1	3.9
Total	100	100	100

likely than groups in 1980 and 1984 to report that only 1-4 percent of their business was prepaid. The groups that provided prepaid care in 1980 were more likely to report that 50-100 percent of their business was prepaid than groups in 1975 or 1984. Groups in 1984 were more likely to report that 5-24 percent of their business activity was prepaid than groups in either 1975 or 1980.

Summary

The number of medical groups continued to grow during the early 1980s, but at a greater rate than during the previous decade. The number of group physicians also appeared to grow at a greater rate during the early 1980s than the 1970s. This greater growth occurred in all geographic areas of the country.

This growth in medical groups may be occurring for a number of reasons. The number of medical groups may be growing because, although the environment is increasingly competitive, groups are better able to compete due to superior ability to generate capital. Some of this capital may be used to market medical services, a growing and expensive trend among health care organizations. The number of medical groups also may be growing because, given the increasing cost of medical care, group practices are less costly to establish than solo practices, and they permit economies in the delivery of medical services. Group practices have always presented certain potential practice advantages to physicians, such as facilitating referrals and better, more flexible work hours. Some groups may also be able to absorb the costs of malpractice insurance, a renewed concern among physicians today. Increasing numbers of medical groups may also be forming in response to the increased numbers of physicians and resulting competition among them.

The group practice of medicine appears to be done increasingly in single specialty groups and done decreasingly in multispecialty groups, (about one-half of all physician positions in 1984 were in multispecialty

groups). While multispecialty groups are becoming less common, they are also becoming much larger. The increasing size of multispecialty groups may indicate that such groups are emerging as an alternative system of health care delivery which can provide most-if not all-of the medical care required by most patients. The number of small multispecialty groups may be decreasing because care is provided more efficiently in larger groups.

Other characteristics of medical groups are not changing at all. The specialties of group physicians occur with almost the same frequency in 1984 as they did in 1975. Virtually all specialties are amenable to medical group practice. The legal form of organization assumed by groups has remained virtually unchanged since 1980.

The practice of medicine in groups is an increasingly widespread phenomenon. Given the current trends in the environment of medicine, the AMA sees continued growth in the number of medical groups, as well as increasing physician involvement in this and other forms of ambulatory care. In anticipation of the growth in medical groups, the AMA has established continuous collection of group practice data to better monitor this trend.

Chapter 3

Summary of Findings

The last chapter described the trends in medical groups observed by the periodic national surveys conducted by the AMA. This chapter summarizes the findings of the most recent survey conducted in 1984 by the Association's Division of Survey and Data Resources. The chapters which follow describe these findings in more detail.

Number of Groups and Group Physician Positions

The 1984 survey of medical groups identified 15,485 groups that met the AMA definition of group practice. These groups represented 140,392 group physician positions. Since physicians may be on the rosters of more than one group at a time, the number of group physician positions may overstate the number of physicians practicing in groups.

Specialty Composition

Single specialty groups are the most common type of group. Of the total number of groups identified, 10,635 were single specialty, 2,781 were multispecialty, 1,770 were family or general practice groups and 299 were unidentified regarding specialty composition (Table 4-1). Of the total number of group physician positions identified, 59,917 were in single specialty groups, 69,371 were in multispecialty groups, 9,839 were in family or general practice groups and 1,265 were in groups unidentified regarding specialty composition (Table 4-1).

Size

Smaller groups are more prevalent than larger groups. Of the 15,485 groups identified in 1984, 14,701 reported the number of physicians in the group (Table 4-2). About two-thirds of these 14,701 groups included five or fewer

physicians. Only 158 groups included 100 or more physicians. The average size of medical groups was 9.1 (Table 2-4).

Geographic Distribution of Groups and Group Physician Positions

Medical groups and group physician positions are concentrated in certain regions of the country. In 1984, four of the ten census divisions defined by the U.S. Bureau of the Census (see Appendix B) accounted for 64.2 percent of all groups: the Middle Atlantic, the South Atlantic, the East North Central and the Pacific (Map 5-1). These same divisions accounted for 66.0 percent of all group physician positions (Map 5-1).

Specialists in Group Practice

About one-fourth to one-third of all nonfederal physicians in most specialties practice in groups. The smallest percentages of group physician positions are evident in psychiatry (12.3%) and general surgery (17.7%) (Table 6-1). The greatest percentage of group physician positions is in radiology (91.8%).

Organizational Characteristics

The most common legal form of organization was the professional corporation. Of the 11,105 groups that responded to this question, 73.0 percent were professional corporations, 14.7 percent were partnerships, 5.0 percent were associations, 1.0 percent were sole proprietorships, 0.5 percent were foundations and 5.8 pecent were some other legal form (Table 7-1).

Medical groups were more likely to employ an individual with the title of business manager, group administrator or health plan manager than to have a medical director. While 63 percent of the responding groups employed a business manager, group administrator or health plan manager, 27 percent employed a medical director (Table 7-5).

Over one-half of the 10,650 responding groups reported some kind of legal or organizational relationship to a hospital: hospital as landlord (30.6%), hospital privileges (8.6%) hospital associated (5.5%), "other" (4.6%), hospital operated (2.4%), referral basis (0.9%) and multiple relationships (0.6%); 46.7 percent reported no relationship (Table 7-10).

Prepaid Care

Few groups provided prepaid care. About 75 percent of the 9,751 responding groups provided no prepaid care, but only 3 percent reported that 75% or more of their business activity was prepaid (Table 8-1). Of the 2,443 groups that provided some prepaid care, 70.2 percent reported that less than 25% of their business activity was prepaid, 18.9 percent reported that 25 to 74% of their business activity was prepaid, and 10.9 percent reported that 75% or more of their business activity was prepaid.

Medical Facilities

Between one-fourth and one-half of responding groups reported selected on-site ancillary facilities. Of the groups responding to the question on pharmacy, 23.2 percent reported either full or limited service of this facility on-site (Table 9-1). Nearly 60 percent reported either full or limited service clinical laboratory on-site, 54.3 percent reported full or limited service routine radiology, and 50.1 percent reported full or limited service routine electrocardiology on-site. Only 35.8 percent of the responding groups reported full or limited service audiology, and 45.5 percent reported full or limited service vision testing facility on-site.

Business Equipment

About 32 percent of the 10,931 groups who responded to the question about VCR ownership reported using a VCR for patient education or continuing medical education (Table 9-2).

Medical groups were more likely to use computers to record business transactions than for clinical records or other medical data purposes: 60.1 percent used computers to record business transactions, 14.8 percent to maintain clinical records, and 22.8 percent for medical (nonpatient) data retrieval (Table 9-26).

Trends in Medical Groups

The number of medical groups grew at a greater rate during the early 1980s than in the previous decade. The average annual rate of growth was 4.9 percent between 1969 and 1975, 4.9 percent between 1975 and 1980, and 9.5 percent between 1980 and 1984 (Table 2-5).

The group practice of medicine is increasingly conducted in single specialty groups. The percentage of groups that are single specialty has increased steadily from 49.7 percent in 1969, to 54.2 percent in 1975, to 57.2 percent in 1980 and to 70.0 percent in 1984 (Table 2-2).

Medical groups are also increasing in size. The average size of medical groups has increased from 6.3 positions in 1969 to 9.1 positions in 1984 (Table 2-4). This increasing average size is largely due to the phenomenal growth of the size of multispecialty groups in recent years. The average size of multispecialty groups increased by 75.0 percent from 1980 to 1984, while the average size of single specialty groups increased by 20.8 percent and the average size of family or general practice groups increased by 26.7 percent.

Chapter 4

Size and Specialty Composition of Groups

Medical groups described their specialty composition and their number of practicing physicians. Groups were classified as multispecialty, single specialty or family/general practice.* Single specialty groups indicated their specialty; multispecialty groups responding to the long-form questionnaire reported the specialties of their practicing physicians.

Specialty Composition of Groups and Number of Group Physician Positions

The majority of medical groups are single specialty groups. Seventy percent of all group practices are single specialty (Table 4-1). Multispecialty groups and family or general practice groups represent only 18.3 and 11.7 percent, respectively, of all group practices.

Although single specialty groups are most common, they do not account for the greatest number of group physician positions. Rather, multispecialty groups, which represent only 18.3 percent of all groups, account for 50 percent of all group physician positions (Table 4-1). Single specialty groups account for 43.1 percent of all group physician positions, nearly as many positions as multispecialty groups, and family or general practice groups account for only 7.1 percent of group positions.

*To be consistent with reports produced from previous group practice surveys, multispecialty groups in which 75 percent or more of the physicians had the same specialty were classified as single specialty or family/general practice groups. A total of 388 multispecialty groups were classified as single specialty, and a total of 219 multispecialty groups were classified as family or general practice groups.

Table 4-1: Total Groups and Group Physician Positions by Specialty Composition of Group

Specialty Composition	Groups		Group Physician Positions	
	%	N	%	N
Single Specialty	70.0	10,635	43.1	59,917[b]
Multispecialty	18.3	2,781	49.9	69,371
Family or General Practice	11.7	1,770	7.1	9,839[c]
Total	100	15,186[a]	100	139,127[d]

[a]Excludes 299 groups whose specialty composition was unknown.

[b]Includes 3,595 physician positions in multispecialty groups in which 75% or more of the physician members had the same specialty.

[c]Includes 1,208 physician positions in multispecialty groups in which 75% or more of the physician members were family or general practitioners.

[d]Excludes 1,265 physician positions in groups whose specialty composition was unknown.

Size of Groups and Number of Group Physician Positions

More than 50 percent of all groups report three or four physicians (Table 4-2), and only about five percent of all groups report 26 or more physicians in the group. Although smaller groups are more common, groups of size three or four account for only 19.4 percent of all group physician positions, while groups of 26 or more represent 45 percent of all group physician positions.

Size and Specialty Composition of Groups and Number of Group Physician Positions

The size of group practice varies by specialty composition. Multispecialty groups tend to be much larger than single specialty or family or general practice groups. The average size of multispecialty groups is 26.6, compared to single specialty or family or general practice groups, in which the average size is 5.8 and 5.7, respectively (Table 2-4). Among single specialty and family or general practice groups, 73.6 and 81.5 percent respectively are composed of three to five physician positions (Table 4-3), while only 35.2 percent of multispecialty groups are composed of three to five physician positions.

The size distribution of group physician positions corresponds to the size distribution of groups. In single specialty and family or general practice groups, greater percentages of positions are in smaller groups than in larger groups (Table 4-4). In multispecialty groups, however, greater percentages of positions are in larger groups than in smaller groups. Over 50 percent of multispecialty physician positions are in groups of 100 or more positions.

Summary

The most common specialty composition of medical groups is single specialty, followed by multispecialty and family or general practice. Medical groups tend to be composed of only three or four physicians. Multispecialty groups tend to be larger than single specialty or family or general practice groups, and therefore account for more group physician positions than either single specialty or family or general practice groups.

Table 4-2: Total Groups and Group Physician Positions by Size of Group

Size of Group	Groups		Group Physician Positions	
	%	N	%	N
3	32.6	4,795[a]	10.1	14,249[c]
4	22.2	3,266	9.3	13,064
5	12.8	1,884	6.7	9,420
6	7.2	1,054	4.5	6,324
7	4.5	666	3.3	4,662
8-15	12.6	1,854	13.6	19,112
16-25	3.6	522	7.4	10,354
26-49	2.4	354	8.6	12,037
50-99	1.0	148	7.0	9,828
100+	1.1	158	29.4	41,342
Total	100	14,701[b]	100	140,392

[a]Includes 107 groups with less than 3 physicians that met the AMA definition of group in other important respects.

[b]Excludes 784 groups whose size was unknown.

[c]Includes 185 physician positions in groups with less than 3 physicians.

Table 4-3: Total Groups by Size and Specialty Composition

Size of Group	Specialty Composition: Single Specialty %	Single Specialty N	Multi-Specialty %	Multi-Specialty N	Family or General Practice %	Family or General Practice N	Total %	Total N
3	35.3	3,622	15.6	408	42.2	723	32.6	4,753[a]
4	24.3	2,497	11.4	297	26.5	454	22.3	3,248
5	14.0	1,439	8.2	214	12.8	219	12.8	1,872
6	7.5	773	6.8	178	5.6	95	7.2	1,046
7	4.5	460	5.7	149	3.1	53	4.5	662
8-15	11.0	1,124	23.7	619	5.6	96	12.6	1,839
16-25	2.0	210	10.2	265	2.3	40	3.5	515
26-49	0.8	85	9.3	242	1.5	25	2.4	352
50-99	0.4	38	4.1	106	0.2	4	1.0	148
100	0.2	19	5.1	132	0.2	3	1.1	154
Total	100	10,267	100	2,610	100	1,712	100	14,589[b]

[a]Includes 107 groups with less than 3 physicians that met the AMA definition of group in other important respects.

[b]Excludes 597 groups whose size was unknown, 112 groups whose specialty composition was unknown, and 187 groups whose size and specialty composition were both unknown.

Table 4-4: Group Physician Positions by Size and Specialty Composition of Group

Size of Group	Specialty Composition: Single Specialty %	Single Specialty N	Multi-Specialty %	Multi-Specialty N	Family or General Practice %	Family or General Practice N	Total %	Total N
3	18.0	10,787	1.7	1,196	21.8	2,142	10.2	14,125[a]
4	16.7	9,988	1.7	1,188	18.5	1,816	9.3	12,992
5	12.0	7,195	1.5	1,070	11.1	1,095	6.7	9,360
6	7.7	4,638	1.5	1,068	5.8	570	4.5	6,276
7	5.4	3,220	1.5	1,043	3.8	371	3.3	4,634
8-15	18.9	11,351	9.5	6,615	10.0	989	13.6	18,955
16-25	6.8	4,099	7.6	5,306	8.2	803	7.3	10,208
26-49	4.7	2,812	12.1	8,370	8.0	790	8.6	11,972
50-99	4.1	2,481	10.2	7,101	2.5	246	7.1	9,828
100+	5.6	3,346	52.5	36,414	10.3	1,017	29.3	40,777
Total	100	59,917	100	69,371	100	9,839	100	139,127[b]

[a]Includes 185 physician positions in groups with less than 3 physicians.

[b]Excludes 1,265 physician positions in groups whose specialty composition was unknown.

Single specialty and family or general practice groups may be smaller than multispecialty groups because they are formed for different reasons. For example, the formation of small single specialty groups reduces the number of competitors in a given area. On the other hand, the formation of large multispecialty groups increases competition by increasing the range of services provided by a single competitor. Single specialty groups may also be smaller because in these groups physician services are duplicated and thus, fewer physicians are required to maintain the practice. On the other hand, physicians in multispecialty groups have complementary skills and thus, physicians with additional skills are desirable to maintain the practice.

Chapter 5

Geographic Distribution of Groups

Medical groups are not evenly distributed throughout the United States. Table 5-1 describes the distribution of groups and group physician positions by state.

Only seven states account for approximately 40 percent of all groups. California contains the most medical groups (1,645), followed by Pennsylvania (871), New York (865), Texas (777), Illinois (747), Florida (724) and Ohio (715). Physician positions are even more clustered, with the same states accounting for 44.6 percent of all physician positions.

States and possessions were grouped into the 10 geographic regions defined by the U.S. Bureau of the Census (see Map 5-1 and Appendix B). Four divisions of the country account for 64.3 percent of all groups and 66.0 percent of all group physician positions: the Middle Atlantic, the South Atlantic, the East North Central and the Pacific. The rest of this chapter describes the geographic distribution of groups by specialty composition and size of group.

Census Division and Specialty Composition of Groups and Number of Group Physician Positions

Single specialty groups were the predominant form of group practice in each census division, followed by multispecialty and family or general practice, respectively (Table 5-2). Although single specialty groups account for over one-half of all groups in every division, the percentage of single specialty groups ranges from 58.0 percent in the West North Central division to 80.4 percent in New England. Similarly, although family or general practice groups are the smallest percentage of groups in every division, this percentage ranges from 5.0 percent in New England to

Table 5-1: Total Groups and Group Physician Positions by State and Possessions

State	Groups		Group Physician Positions	
	%	N	%	N
Alabama	1.5	239	1.5	2,090
Alaska	0.2	29	0.1	154
Arizona	1.6	251	1.3	1,797
Arkansas	0.9	138	0.7	1,042
California	10.6	1,645	16.0	22,440
Colorado	1.7	261	1.4	1,965
Connecticut	1.5	238	1.4	2,010
Delaware	0.2	34	0.2	207
District of Columbia	0.4	66	0.7	971
Florida	4.7	724	4.3	5,995
Georgia	2.2	340	1.5	2,154
Hawaii	0.4	57	0.5	639
Idaho	0.4	69	0.2	314
Illinois	4.8	747	5.2	7,354
Indiana	2.1	329	2.0	2,793
Iowa	1.4	215	1.0	1,450
Kansas	1.3	205	1.0	1,410
Kentucky	1.4	219	1.4	1,917
Louisiana	1.5	229	1.4	2,041
Maine	0.3	54	0.2	217
Maryland	2.0	304	2.0	2,762
Massachusetts	2.7	418	3.0	4,185
Michigan	3.8	590	4.0	5,591
Minnesota	2.8	431	3.9	5,413
Mississippi	0.9	143	0.7	969
Missouri	2.3	355	2.0	2,840
Montana	0.4	58	0.3	362
Nebraska	1.0	154	0.8	1,125
Nevada	0.4	62	0.3	363
New Hampshire	0.3	53	0.3	423
New Jersey	2.7	425	2.3	3,189
New Mexico	0.5	81	0.5	672
New York	5.6	865	5.4	7,545
North Carolina	3.1	480	2.2	3,114
North Dakota	0.3	52	0.5	673
Ohio	4.6	715	3.9	5,413
Oklahoma	1.0	157	0.8	1,145
Oregon	1.5	228	1.2	1,695
Pennsylvania	5.6	871	4.2	5,958
Puerto Rico	0.4	64	0.3	484
Rhode Island	0.4	55	0.2	313
South Carolina	1.4	223	0.9	1,275
South Dakota	0.3	50	0.3	412
Tennessee	2.3	358	1.8	2,450
Texas	5.0	777	5.6	7,923
Utah	0.6	93	0.7	1,041

Table 5-1: (Cont'd)

State	Groups		Group Physician Positions	
	%	N	%	N
Vermont	0.3	41	0.4	509
Virginia	2.8	441	2.3	3,171
Virgin Islands	0.0	0	0.0	0
Washington	2.2	345	2.5	3,540
West Virginia	0.5	80	0.5	760
Wisconsin	2.6	399	4.3	5,992
Wyoming	0.2	28	0.1	125
Guam	0.0	0	0.0	0
Total	100	15,485	100	140,392

Map 5-1:

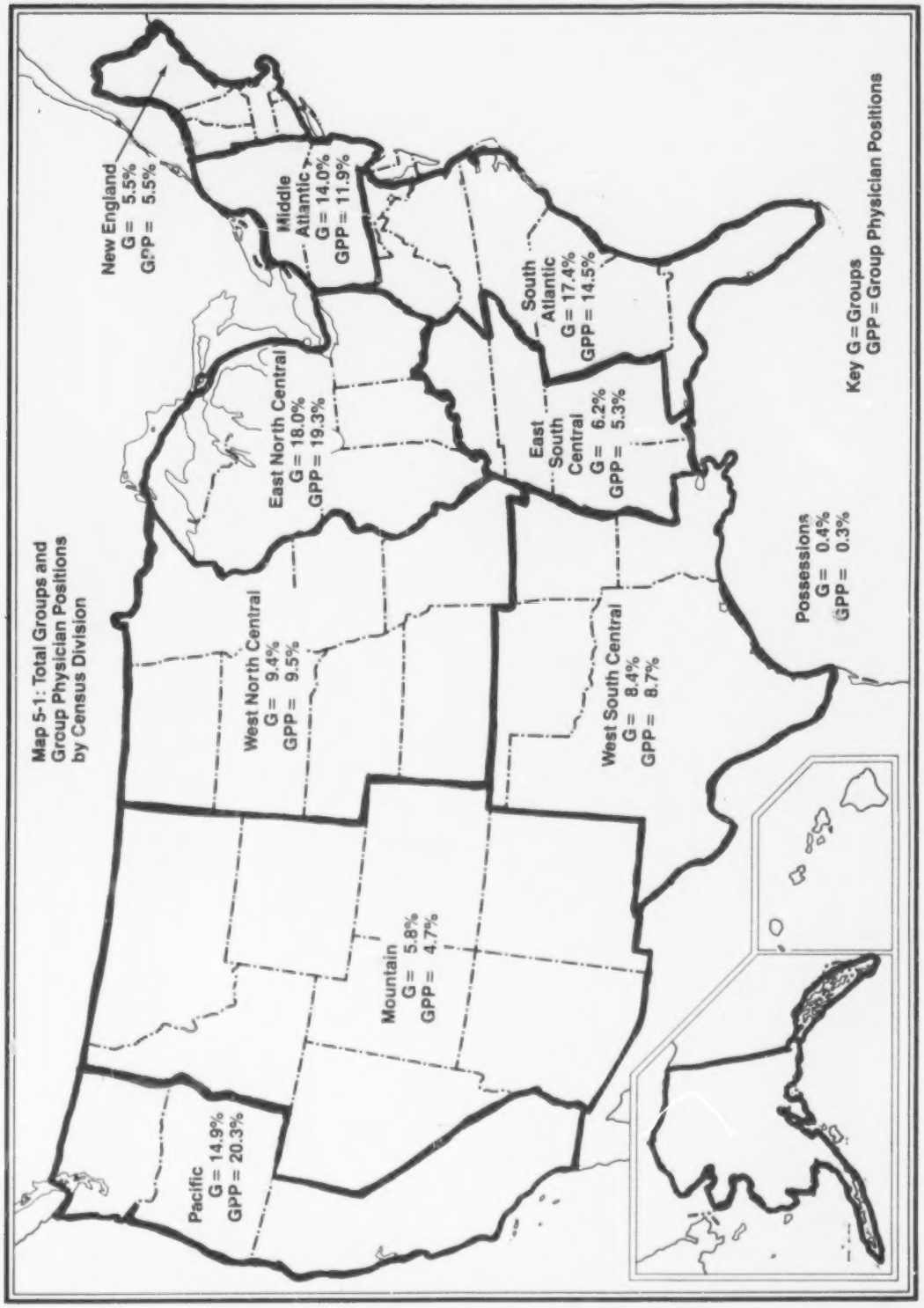
Map 5-1: Total Groups and Group Physician Positions by Census Division
New England G = 5.5% GPP = 5.5%
Middle Atlantic G = 14.0% GPP = 11.9%
South Atlantic G = 17.4% GPP = 14.5%
East North Central G = 18.0% GPP = 19.3%
East South Central G = 6.2% GPP = 5.3%
West North Central G = 9.4% GPP = 9.5%
West South Central G = 8.4% GPP = 8.7%
Mountain G = 5.8% GPP = 4.7%
Pacific G = 14.9% GPP = 20.3%
Possessions G = 0.4% GPP = 0.3%
Key G = Groups GPP = Group Physician Positions

Table 5-2: Total Groups by Specialty Composition and Census Division

Specialty Composition	New England	Middle Atlantic	South Atlantic	East North Central	East South Central	West North Central	West South Central	Mountain	Pacific	Possessions	Total
					Census Division						
					A. Number						
Single Specialty	670	1,646	2,003	1,843	695	834	866	593	1,440	45	10,635
Multispecialty	121	346	400	541	148	307	238	164	502	14	2,781
Family or General Practice	42	135	249	330	103	298	171	132	306	4	1,770
Total	833	2,127	2,652	2,714	946	1,439	1,275	889	2,248	63	15,186[a]
					B. Percent						
Single Specialty	80.4	77.4	75.5	67.9	73.5	58.0	67.9	66.7	64.1	71.4	70.0
Multispecialty	14.5	16.3	15.1	19.9	15.6	21.3	18.7	18.4	22.3	22.2	18.3
Family or General Practice	5.0	6.3	9.4	12.2	10.9	20.7	13.4	14.8	13.6	6.3	11.7
Total	100	100	100	100	100	100	100	100	100	100	100

a. Excludes 299 groups whose specialty composition was unknown.

20.7 percent in the West North Central division. The percentage of multispecialty groups does not vary much across divisions, ranging from 14.5 percent in New England to 22.3 percent in the Pacific.

Although single specialty groups were predominant in each division, the greatest percentage of physician positions in some divisions was found in multispecialty groups (Table 5-3). The larger percentage of multispecialty group physician positions in all divisions reflects the greater size of multispecialty groups.

Census Division and Size of Groups and Number of Group Physician Positions

Smaller groups tend to occur more frequently than larger groups within each census division (Table 5-4). In each division, about one-third of all groups have three physicians in the group, and an additional third of all groups have four or five physicians.

Although two-thirds of all groups in each division have five or fewer physicians, groups of this size account for only one-third or less of all physician positions (Table 5-5). The percentage of group physician positions accounted for by groups of 50 or more ranges from 21.8 percent in the Mountain States to 51.1 percent in the Pacific division.

Metropolitan Area and Specialty Composition of Groups and Number of Group Physician Positions

Medical groups were classified as being located in metropolitan or nonmetropolitan areas according to a U.S. Department of Commerce code quantifying the population of counties. Metropolitan areas include those counties considered potential Standard Metropolitan Statistical Areas (SMSAs) or counties in SMSAs with at least 50,000 inhabitants. Nonmetropolitan areas include nonmetropolitan counties or counties not in SMSAs.

Table 5-3: Group Physician Positions by Specialty Composition and Census Division of Group

Specialty Composition	New England	Middle Atlantic	South Atlantic	East North Central	East South Central	West North Central	West South Central	Mountain	Pacific	Possessions	Total
					Census Division						
					A. Number						
Single Specialty	3,916	9,392	10,249	11,305	3,692	4,792	4,546	2,873	8,972	180	59,917[a]
Multispecialty	3,499	6,336	8,784	13,595	3,230	6,889	6,674	3,017	17,092	255	69,371
Family or General Practice	175	728	1,178	2,113	476	1,595	736	701	2,091	46	9,839[b]
Total	7,590	16,456	20,211	27,013	7,398	13,276	11,956	6,591	28,155	481	139,127[c]
					B. Percent						
Single Specialty	51.6	57.1	50.7	41.9	49.9	36.1	38.0	43.6	31.9	37.4	43.1
Multispecialty	46.1	38.5	43.5	50.3	43.7	51.9	55.8	45.8	60.7	53.0	49.9
Family or General Practice	2.3	4.4	5.8	7.8	6.4	12.0	6.2	10.6	7.4	9.6	7.1
Total	100	100	100	100	100	100	100	100	100	100	100

a. Includes 3,595 physician positions in multispecialty groups in which 75% or more of the physician members had the same specialty.
b. Includes 1,208 physician positions in multispecialty groups in which 75% or more of the physician members were family or general practitioners.
t. Excludes 1,265 physician positions in groups whose specialty composition was unknown.

Table 5-4: Total Groups by Size and Census Division

Size of Group	New England	Middle Atlantic	South Atlantic	East North Central	East South Central	West North Central	West South Central	Mountain	Pacific	Possessions	Total
					Census Division						
					A. Number						
3	272	762	909	810	311	413	393	286	615	24	4,795[a]
4	187	450	611	522	224	289	283	217	472	11	3,266
5	121	235	343	325	123	196	151	89	294	7	1,884
6	55	130	170	195	73	97	98	71	161	4	1,054
7	37	88	102	145	23	66	56	39	109	1	666
8-15	85	236	264	385	108	215	152	91	308	10	1,854
16-25	30	69	71	108	26	61	49	24	81	3	522
26-49	20	55	49	68	15	30	23	26	68	0	354
50-99	9	14	15	37	11	15	13	4	30	0	148
100+	8	17	25	23	7	16	17	5	39	1	158
Total	824	2,056	2,559	2,618	921	1,398	1,235	852	2,177	61	14,701[b]
					B. Percent						
3	33.0	37.1	35.5	30.9	33.8	29.5	31.8	33.6	28.2	39.3	32.6
4	22.7	21.9	23.9	19.9	24.3	20.7	22.9	25.5	21.7	18.0	22.2
5	14.7	11.4	13.4	12.4	13.4	14.0	12.2	10.4	13.5	11.5	12.8
6	6.7	6.3	6.6	7.4	7.9	6.9	7.9	8.3	7.4	6.6	7.2
7	4.5	4.3	4.0	5.5	2.5	4.7	4.5	4.6	5.0	1.6	4.5
8-15	10.3	11.5	10.3	14.7	11.7	15.4	12.3	10.7	14.2	16.4	12.6
16-25	3.6	3.4	2.8	4.1	2.8	4.4	4.0	2.8	3.7	4.9	3.6
26-49	2.4	2.7	1.9	2.6	1.6	2.2	1.9	3.0	3.1	0.0	2.4
50-99	1.1	0.7	0.6	1.4	1.2	1.1	1.1	0.5	1.4	0.0	1.0
100+	1.0	0.8	1.0	0.9	0.8	1.1	1.4	0.6	1.8	1.6	1.1
Total	100	100	100	100	100	100	100	100	100	100	100

a. Includes 107 groups with less than 3 physicians that met the AMA definition of group in other important respects.
b. Excludes 784 groups whose size was unknown.

Table 5-5: Group Physician Positions by Size and Census Division of Group

Size of Group	Census Division										
	New England	Middle Atlantic	South Atlantic	East North Central	East South Central	West North Central	West South Central	Mountain	Pacific	Possessions	Total
	A. Number										
3	809	2,268	2,706	2,404	921	1,225	1,164	854	1,826	72	14,249[a]
4	748	1,800	2,444	2,088	896	1,156	1,132	868	1,888	44	13,064
5	605	1,175	1,715	1,625	615	980	755	445	1,470	35	9,420
6	330	780	1,020	1,170	438	582	588	426	966	24	6,324
7	259	616	714	1,015	161	462	392	273	763	7	4,662
8-15	895	2,371	2,742	3,981	1,073	2,256	1,614	974	3,109	97	19,112
16-25	576	1,378	1,412	2,159	506	1,208	957	490	1,615	53	10,354
26-49	694	1,880	1,589	2,386	524	1,019	780	862	2,303	0	12,037
50-99	591	886	1,011	2,377	798	883	900	230	2,152	0	9,828
100+	2,150	3,538	5,056	7,938	1,494	3,552	3,869	1,217	12,376	152	41,342
Total	7,657	16,692	20,409	27,143	7,426	13,323	12,151	6,639	28,468	484	140,392
	B. Percent										
3	10.6	13.6	13.3	8.8	12.4	9.2	9.6	12.9	6.4	14.9	10.2
4	9.8	10.8	12.0	7.7	12.1	8.7	9.3	13.1	6.6	9.1	9.3
5	7.9	7.0	8.4	6.0	8.3	7.4	6.2	6.7	5.2	7.2	6.7
6	4.3	4.7	5.0	4.3	5.9	4.4	4.8	6.4	3.4	5.0	4.5
7	3.4	3.7	3.5	3.7	2.2	3.5	3.2	4.1	2.7	1.4	3.3
8-15	11.7	14.2	13.4	14.7	14.4	16.9	13.3	14.7	10.9	20.0	13.6
16-25	7.5	8.3	6.9	8.0	6.8	9.1	7.9	7.4	5.7	11.0	7.4
26-49	9.1	11.3	7.8	8.8	7.1	7.6	6.4	13.0	8.1	0.0	8.6
50-99	7.7	5.3	5.0	8.8	10.7	6.6	7.4	3.5	7.6	0.0	7.0
100+	28.1	21.2	24.8	29.2	20.1	26.7	31.8	18.3	43.5	31.4	29.4
Total	100	100	100	100	100	100	100	100	100	100	100

a. Includes 185 physician positions in groups with less than 3 physicians.

Table 5-6 reports the number of groups and the number of group physician positions in metropolitan and nonmetropolitan areas. Over 80 percent of groups and group physician positions are located in metropolitan areas.

The specialty composition of groups varies by metropolitan location (Table 5-7). Both multispecialty and family or general practice groups are more common in nonmetropolitan areas than metropolitan areas. While physician positions in general or family practice groups tend to be more common in nonmetropolitan areas, physician positions in multispecialty groups are not (Table 5-8). Multispecialty groups are more common in nonmetropolitan areas, but physician positions are not. This suggests that multispecialty groups in nonmetropolitan areas tend to be smaller than multispecialty groups in metropolitan areas.

Summary

Medical groups are concentrated in four census divisions: the Middle Atlantic, the South Atlantic, the East North Central and the Pacific. These census divisions also contain the greatest numbers of nonfederal physicians, and have among the highest physician population ratios.* These data suggest that the formation of medical groups may be a response to competition among providers.

Although medical groups are concentrated in these census divisions, the groups in all census divisions are similar in terms of specialty compositions and sizes. Within each census division, over one-half of all groups are single specialty, and about two-thirds of all groups have five or fewer physician positions.

*M.A. Eiler. Physician Characteristics and Distribution in the U.S. 1983 Edition. American Medical Association: 1984.

Table 5-6: Total Groups and Group Physician Positions by Metropolitan Area

Metropolitan Area	Groups		Group Physician Positions	
	%	N	%	N
Nonmetropolitan	15.4	2,345	10.8	14,977
Metropolitan	84.2	12,859	88.8	122,799
Possessions	0.4	64	0.4	484
Total	100	15,268[a]	100	138,260[b]

[a]Excludes 217 groups whose metropolitan code was unknown.

[b]Excludes 2,132 physician positions in groups whose metropolitan code was unknown.

Table 5-7: Total Groups by Specialty Composition and Metropolitan Area

Specialty Composition	Metropolitan Area: Nonmetropolitan %	N	Metropolitan %	N	Possessions %	N	Total %	N
Single Specialty	44.8	1,036	74.7	9,421	71.4	45	70.1	10,502
Multispecialty	27.0	625	16.6	2,093	22.2	14	18.2	2,732
Family or General Practice	28.2	651	8.7	1,093	6.3	4	11.7	1,748
Total	100	2,312	100	12,607	100	63	100	14,982[a]

[a]Excludes 286 groups whose specialty composition was unknown, 204 groups whose metropolitan code was unknown, and 13 groups whose specialty composition and metropolitan code were both unknown.

Table 5-8: Group Physician Positions by Specialty Composition and Metropolitan Area

Specialty Composition	Metropolitan Area: Nonmetropolitan %	N	Metropolitan %	N	Possessions %	N	Total %	N
Single Specialty	32.2	4,793	44.4	54,003	37.4	180	43.0	58,976
Multispecialty	46.4	6,918	50.2	61,107	53.0	255	49.8	68,280
Family or General Practice	21.4	3,195	5.3	6,498	9.6	46	7.1	9,739
Total	100	14,906	100	121,608	100	481	100	136,995[a]

[a]Excludes 1,265 physician positions in groups whose specialty composition was unknown and 2,132 physician positions in groups whose metropolitan code was unknown.

Medical groups located in metropolitan areas, however, differ from groups located in nonmetropolitan areas. In nonmetropolitan areas, less than one-half of all groups are single specialty compared to about three-quarters of all groups in metropolitan areas and U.S. possessions. Multispecialty and general or family practice groups may be relatively more predominant in nonmetropolitan areas because they are better able to provide a complete range of medical services where fewer medical resources are available.

Chapter 6

Specialists in Medical Groups

All medical groups reported their number of physicians and specialty composition. Single specialty groups reported group specialty, and multispecialty groups reported specialties of their physicians. This chapter discusses the number of group physician positions by specialty, and analyzes these positions in terms of specialty composition and size of group. See appendix C for the classification of specialties.

This survey collected information on number of positions rather than on number of physicians. However, this report treats the number of physician positions, as an estimate of the number of physicians. (The reported numbers of physician positions probably overstate the actual numbers of physicians in groups, because some physicians may work at more than one location.)

The number of group physician positions by specialty is reported as a percentage of the total number of nonfederal physicians in Table 6-1. It appears that about one-fourth to one-third of all physicians in most specialties practice in groups. The percentage of group physician positions varies by specialty, however, with only about 12 percent of all psychiatrists practicing in groups compared to about 92 percent of all radiologists.

Specialties of Group Physician Positions and Specialty Composition of Groups

Most specialties occur with similar frequency among group physician positions as they do among the nonfederal physician population. The most common specialties among group physician positions are family or general practice, internal medicine, and "other" specialties (Table 6-2, part B). These specialties are most common in both single specialty (including

Table 6-1: Group Physician Positions as a Percentage of Total Nonfederal Physicians by Specialty

Specialty	Specialty Composition: Percent	Specialty Composition: Number of Group Physician Positions	Specialty Composition: Number of Nonfederal Physicians 1983[b]
Anesthesiology	38.9	7,573	19,449
Cardiovascular Diseases	36.7	4,360	11,880
Diagnostic Radiology	26.3	2,831	10,765
Family/General Practice	25.4	15,728	61,837
General Surgery	17.7	6,191	34,982
Internal Medicine	22.0	17,321	78,561
Neurology	25.6	2,694	10,541
Obstetrics/Gynecology	28.9	8,258	28,564
Ophthalmology	23.0	3,216	13,967
Pathology	30.5	4,280	14,029
Pediatrics	29.0	9,182	31,649
Psychiatry	12.3	4,020	32,557
Radiology	91.8	9,122	9,934
Other Specialties	37.0	30,359	81,957
Total	28.4	125,135[a]	440,672[c]

[a]Excludes 15,257 physician positions whose specialties were unknown.

[b]The source of this information is the AMA Physician Masterfile for 1983, Department of Data Release Services, Division of Survey and Data Resources.

[c]Excludes 12,643 unclassified physicians, 36,911 inactive physicians and 6,721 physicians whose specialties were unspecified.

Table 6-2: Group Physician Positions by Specialty and Specialty Composition of Group

Specialty	Specialty Composition: Single Specialty and Family or General Practice[a]	Specialty Composition: Multi-Specialty	Total
	A. Number		
Anesthesiology	6,423	1,150	7,573
Cardiovascular Diseases	1,784	2,576	4,360
Diagnostic Radiology	1,532	1,299	2,831
Family/General Practice	9,951	5,777	15,728
General Surgery	2,652	3,539	6,191
Internal Medicine	8,076	9,245	17,321
Neurology	1,583	1,111	2,694
Obstetrics/Gynecology	4,846	3,412	8,258
Ophthalmology	1,955	1,261	3,216
Pathology	3,172	1,108	4,280
Pediatrics	4,494	4,688	9,182
Psychiatry	2,313	1,707	4,020
Radiology	8,129	993	9,122
Other Specialties	14,337	16,022	30,359
Total	71,247	53,888	125,135[b]
	B. Column Percent		
Anesthesiology	9.0	2.1	6.1
Cardiovascular Diseases	2.5	4.8	3.5
Diagnostic Radiology	2.2	2.4	2.3
Family/General Practice	14.0	10.7	12.6
General Surgery	3.7	6.6	4.9
Internal Medicine	11.3	17.2	13.8
Neurology	2.2	2.1	2.2
Obstetrics/Gynecology	6.8	6.3	6.6
Ophthalmology	2.7	2.3	2.6
Pathology	4.5	2.1	3.4
Pediatrics	6.3	8.7	7.3
Psychiatry	3.2	3.2	3.2
Radiology	11.4	1.8	7.3
Other Specialties	20.1	29.7	24.3
Total	100	100	100

Table 6-2: (Cont.)

Specialty	Specialty Composition: Single Specialty and Family or General Practice	Specialty Composition: Multi-Specialty	Total
	C. Row Percent		
Anesthesiology	84.8	15.2	100
Cardiovascular Diseases	40.9	59.1	100
Diagnostic Radiology	54.1	45.9	100
Family/General Practice	63.3	36.7	100
General Surgery	42.8	57.2	100
Internal Medicine	46.6	53.4	100
Neurology	58.8	41.2	100
Obstetrics/Gynecology	58.7	41.3	100
Ophthalmology	60.8	39.2	100
Pathology	74.1	25.9	100
Pediatrics	48.9	51.1	100
Psychiatry	57.5	42.5	100
Radiology	89.1	10.9	100
Other Specialties	47.2	52.8	100
Total	56.9	43.1	100

[a]The following numbers of physician positions in the indicated specialties were in multispecialty groups that were reclassified as single specialty or family or general practice groups because 75% or more of the physician positions were in a single specialty: anesthesiology (129), cardiovascular diseases(332), diagnostic radiology (234), family/general practice (1,320), general surgery (443), internal medicine (1,705), neurology (100), obstetrics/gynecology (400), ophthalmology (95), pathology (79), pediatrics (699), psychiatry (329), radiology (148), other specialties (697).

[b]Excludes 15,257 physician positions whose specialties were unknown.

family or general practice) groups and multispecialty groups. Radiology is another common specialty in single specialty groups, comprising 11.4 percent of all group physician positions.

More specialists are found in single specialty (including family or general practice) groups than in multispecialty groups (Table 6-2, part C). This is particularly true for radiology; 89.1 percent of all radiology physician positions are in single specialty groups. A greater percentage of group physician positions are in multispecialty groups in five specialties: cardiovascular diseases, general surgery, internal medicine, pediatrics, and "other" specialties.

Specialties of Group Physician Positions and Size of Groups

Most specialists are found with similar frequency in very small (3-5) and in very large (size 16 or more) groups, with less frequency in medium-sized groups (6-15) (Table 6-3). Other patterns are evident, however. The percentage of positions in diagnostic radiology and psychiatry increases as the size of the group increases. A greater percentage of positions in anesthesiology, radiology, and "other" specialties occur in medium-sized groups than in small or large groups.

Summary

An estimated one-fourth to one-third of all nonfederal physicians practice in groups. Some specialties, such as psychiatry, are much less likely to practice in groups than are other specialties, such as radiology. The percentage of specialists that practice in groups may vary because the advantages offered to specialties by group practice vary. Psychiatrists may be less likely to practice in groups because the special relationship they establish with their patients prevents another psychiatrist from covering their cases.

Most group physician positions in most specialties are found in single specialty (including family or general practice) groups. One exception to this rule is general surgery, a specialty to which other physicians refer

Table 6-3: Group Physician Positions by Specialty and Size of Group

Specialty	Size of Group 3-5	6-15	16 or more	Total
		A. Number		
Anesthesiology	1,445	3,399	2,569	7,413
Cardiovascular Diseases	1,167	879	1,203	3,249
Diagnostic Radiology	521	948	1,160	2,629
Family/General Practice	5,470	3,294	6,233	14,997
General Surgery	2,122	1,180	2,561	5,863
Internal Medicine	4,061	3,097	8,655	15,813
Neurology	899	620	1,080	2,599
Obstetrics/Gynecology	3,566	1,349	2,833	7,748
Ophthalmology	1,049	569	1,436	3,054
Pathology	1,624	1,155	1,375	4,154
Pediatrics	2,915	1,159	4,301	8,375
Psychiatry	636	678	2,455	3,769
Radiology	2,318	4,675	2,072	9,065
Other Specialties	7,681	11,986	9,814	29,481
Total	35,474[a]	34,988	47,747	118,209[b]
		B. Percent		
Anesthesiology	19.5	45.9	34.7	100
Cardiovascular Diseases	35.9	27.1	37.0	100
Diagnostic Radiology	19.8	36.1	44.1	100
Family/General Practice	36.5	22.0	41.6	100
General Surgery	36.2	20.1	43.7	100
Internal Medicine	25.7	19.6	54.7	100
Neurology	34.6	23.9	41.6	100
Obstetrics/Gynecology	46.0	17.4	36.6	100
Ophthalmology	34.3	18.6	47.0	100
Pathology	39.1	27.8	33.1	100
Pediatrics	34.8	13.8	51.4	100
Psychiatry	16.9	18.0	65.1	100
Radiology	25.6	51.6	22.9	100
Other Specialties	26.1	40.7	33.3	100
Total	30.0	29.6	40.4	100

[a]Includes 1,211 physician positions in groups with less than 3 physicians.

[b]Excludes 22,183 physician positions whose specialties or group size were unknown.

patients. This specialty may be found most often in multispecialty groups because the referral process is facilitated in such groups. About equal proportions of most group physician positions in most specialties are found in both very small and very large groups.

Chapter 7

Organizational Characteristics of Medical Groups

Medical groups were asked a series of questions about their organizational characteristics. They were asked the legal form of organization under which they provided professional medical services, whether or not they employed various administrative personnel, and any hospital relationships they might have. This chapter describes medical groups by these organizational characteristics and analyzes their organizational characteristics in the context of the specialty composition of the group, the size of the group, and the geographical location of the group (i.e., census division).

Legal Form of Organization

Medical groups classified themselves as sole proprietorships, partnerships, professional corporations, associations, foundations, or some other form. Appendix D defines these legal concepts. Other legal forms of organization specified included corporation and professional association.

Table 7-1 reports the number of groups and the number of group physician positions by legal form of organization. By far, the most common legal form of organization among group practices is the professional corporation, which represents nearly three-fourths of all groups and contains over one-half of all group physician positions.

Legal Form of Organization and Specialty Composition

Although the professional corporation is the most common form of legal organization regardless of the specialty composition of the group, single specialty groups are more likely than multispecialty or family or general practice groups to be organized as such (Table 7-2). Professional cor-

Table 7-1: Total Groups and Group Physician Positions by Legal Form of Organization of Group

Legal Form of Organization	Groups		Group Physician Positions	
	%	N	%	N
Sole Proprietorship	1.0	106	0.7	681
Partnership	14.7	1,628	13.7	12,504
Professional Corporation	73.0	8,109	56.9	51,873
Association	5.0	560	6.9	6,294
Foundation	0.5	59	3.6	3,321
Other	5.8	643	18.1	16,449
Total	100	11,105[a]	100	91,122[b]

[a]Excludes 4,380 groups whose legal form of organization was unknown. Of these groups, 4,242 responded to the short-form of the questionnaire, and thus were not asked about legal form of organization.

[b]Excludes 49,270 physician positions in groups whose legal form of organization was unknown. Of these physician positions, 48,540 were in groups that responded to the short-form of the questionnaire, and thus were not asked about legal form of organization.

Table 7-2: Total Groups by Legal Form of Organization and Specialty Composition

Legal Form of Organization	Specialty Composition: Single Specialty %	Single Specialty N	Multi-Specialty %	Multi-Specialty N	Family or General Practice %	Family or General Practice N	Total %	Total N
Sole Proprietorship	0.7	54	1.9	35	1.2	15	1.0	104
Partnership	12.8	1,018	15.7	296	25.1	302	14.7	1,616
Professional Corporation	77.5	6,151	62.8	1,181	60.1	724	73.0	8,056
Association	4.6	366	6.5	122	5.6	67	5.0	555
Foundation	0.4	29	1.2	22	0.7	8	0.5	59
Other	4.1	323	12.0	225	7.4	89	5.8	637
Total	100	7,941	100	1,881	100	1,205	100	11,027[a]

[a]Excludes 4,159 groups whose legal form of organization was unknown, 78 groups whose specialty composition was unknown, and 221 groups whose legal form of organization and specialty composition were both unknown. Of the groups whose legal form of organization was unknown, 4,242 responded to the short-form questionnaire, and thus were not asked about legal form of organization.

porations comprise 77.5 percent of single specialty groups, compared with 62.8 percent of multispecialty groups, and 60.1 percent of family or general practice groups. Multispecialty groups are slightly more likely to be some "other" legal form of organization than are single specialty or family or general practice groups. A greater percentage of family or general practice groups are partnerships (25.1%) than single or multispecialty groups (12.8 and 15.7%, respectively).

Legal Form of Organization and Size

Group size is related to legal form of organization (Table 7-3). Over 70 percent of groups with 25 or fewer members are professional corporations. Professional corporations comprise only 27 to 51 percent of groups with more than 25 members. As groups get larger, associations, foundations and "other" legal forms of organization become more common.

Legal Form of Organization and Census Division

Professional corporations are the most commmon legal form of organization in every census division of the country, except in U.S. possessions (Table 7-4). Partnerships occur with slightly more frequency in the West South Central and Pacific census divisions and in U.S. possessions than in the other census divisions.

The greatest percentage of sole proprietorships and partnerships are located in the Pacific census division. Nearly 40 percent of all professional corporations are located in the South Atlantic and East North Central census divisions. The greatest percentages of associations are located in the East South Central and the West South Central census divisions and in U.S. possessions. More than two-fifths of all foundations are located in the East South Central and West North Central census divisions.

Table 7-3: Total Groups by Legal Form of Organization and Size

Legal Form of Organization	Size of Group										
	3	4	5	6	7	8-15	16-25	26-49	50-99	100+	Total
						A. Number					
Sole Proprietorship	36	20	11	9	6	12	2	3	1	0	100
Partnership	516	348	202	119	69	183	61	36	14	9	1,557
Professional Corporation	2,631	1,759	1,012	602	374	979	207	123	46	24	7,757
Association	144	121	74	38	26	69	27	22	7	12	540
Foundation	1	5	7	2	1	9	7	8	7	10	57
Other	111	86	58	35	21	136	49	51	20	34	601
Total	3,439[a]	2,339	1,364	805	497	1,388	353	243	95	89	10,612[b]
						B. Percent					
Sole Proprietorship	1.0	0.9	0.8	1.1	1.2	0.9	0.6	1.2	1.1	0.0	0.9
Partnership	15.0	14.9	14.8	14.8	13.9	13.2	17.3	14.8	14.7	10.1	14.7
Professional Corporation	76.5	75.2	74.2	74.8	75.3	70.5	58.6	50.6	48.4	27.0	73.1
Association	4.2	5.2	5.4	4.7	5.2	5.0	7.6	9.1	7.4	13.5	5.1
Foundation	0.0	0.2	0.5	0.2	0.2	0.6	2.0	3.3	7.4	11.2	0.5
Other	3.2	3.7	4.3	4.4	4.2	9.8	13.9	21.0	21.1	38.2	5.7
Total	100	100	100	100	100	100	100	100	100	100	100

[a]Includes 86 groups with less than 3 physicians that met the AMA definition of group in other important respects.

[b]Excludes 4,089 groups whose legal form of organization was unknown, 493 groups whose size was unknown, and 291 groups whose legal form of organization and size were both unknown.

Table 7-4: Total Groups by Legal Form of Organization and Census Division

Legal Form of Organization	Census Division									
	New England	Middle Atlantic	South Atlantic	East North Central	East South Central	West North Central	West South Central	Mountain	Pacific	Possessions	Total
					A. Number						
Sole Proprietorship	4	11	14	16	3	8	11	4	34	1	106
Partnership	76	192	227	173	113	174	207	77	368	21	1,628
Professional Corporation	456	1,179	1,474	1,660	474	805	564	486	1,004	7	8,109
Association	24	56	129	55	51	29	104	33	69	10	560
Foundation	5	2	5	10	13	13	2	6	3	0	59
Other	45	108	93	104	25	65	61	39	101	2	643
Total	610	1,548	1,942	2,018	679	1,094	949	645	1,579	41	11,105[a]
					B. Percent						
Sole Proprietorship	0.7	0.7	0.7	0.8	0.4	0.7	1.2	0.6	2.2	2.4	1.0
Partnership	12.5	12.4	11.7	8.6	16.6	15.9	21.8	11.9	23.3	51.2	14.7
Professional Corporation	74.8	76.2	75.9	82.3	69.8	73.6	59.4	75.3	63.6	17.1	73.0
Association	3.9	3.6	6.6	2.7	7.5	2.7	11.0	5.1	4.4	24.4	5.0
Foundation	0.8	0.1	0.3	0.5	1.9	1.2	0.2	0.9	0.2	0	0.5
Other	7.4	7.0	4.8	5.2	3.7	5.9	6.4	6.0	6.4	4.9	5.8
Total	100	100	100	100	100	100	100	100	100	100	100

[a]Excludes 4,380 groups whose legal form of organization was unknown. Of these groups, 4,242 responded to the short-form of the questionnaire, and thus were not asked about legal form of organization.

Employment of Admininstrative Personnel

Medical groups were asked whether or not they had a medical director and whether or not they employed one or more individuals with the title of business manager, group administrator, or health plan manager. The responses to these questions are reported in Table 7-5. While 62.6 percent employed an individual with title of group administrator, business manager, or health plan manager, only 26.7 percent had a medical director.

Administrative Personnel and Specialty Composition

Employment of the various administrative personnel varied by the specialty composition of the group. While 82.8 percent of all multispecialty groups employed a group administrator, business manager, or health plan manager, only 57 percent of single specialty and 68.7 percent of family or general practice groups did (Table 7-6). Multispecialty groups were almost twice as likely to have a medical director as single specialty or family or general practice groups (Table 7-7).

Administrative Personnel and Size

Employment of administrative personnel also varied by group size. As one might expect, larger groups were more likely to employ these personnel than smaller groups. About 50 percent of groups with three members employed a group administrator, business manager, or health plan manager while 89.8 percent of groups with 100 or more members did (Table 7-8). Medical directors were employed by 13.4 percent of groups of three, but by 71.1 percent of groups with 100 or more members (Table 7-9).

Table 7-5: Total Groups by Employment of Administrative Personnel

Employing Personnel	Administrative Personnel: Group Administrator Business Manager, or Health Plan Manager %	N	Medical Director %	N
Yes	62.6	6,837	26.7	2,860
No	37.4	4,082	73.3	7,854
Total	100	10,919[a]	100	10,714[b]

[a]Excludes 4,566 groups whose employment of a group administrator, business manager, or health plan manager was unknown. Of these groups, 4,242 responded to the short-form of the questionnaire and thus were not asked about these personnel.

[b]Excludes 4,771 groups whose employment of a medical director was unknown. Of these groups, 4,242 responded to the short-form of the questionnaire and thus were not asked about a medical director.

Table 7-6: Total Groups by Employment of Group Administrator, Business Manager, or Health Plan Manager and Specialty Composition

	Specialty Composition							
	Single Specialty		Multi-Specialty		Family or General Practice		Total	
Employment	%	N	%	N	%	N	%	N
Yes	57.0	4,456	82.8	1,531	68.7	815	62.7	6,802
No	43.0	3,355	17.2	318	31.3	372	37.3	4,045
Total	100	7,811	100	1,849	100	1,187	100	10,847[a]

[a]Excludes 4,339 groups whose employment of a group administrator, business manager or health plan manager was unknown, 72 groups whose specialty composition was unknown, and 227 groups whose employment of these personnel and specialty composition were both unknown. Of the groups whose employment of these personnel was unknown, 4,242 responded to the short-form of the questionnaire, and thus were not asked about them.

Table 7-7: Total Groups by Medical Director and Specialty Composition

Medical Director	Specialty Composition: Single Specialty %	Single Specialty N	Multi-Specialty %	Multi-Specialty N	Family or General Practice %	Family or General Practice N	Total %	Total N
Yes	23.0	1,764	44.3	801	23.5	274	26.7	2,839
No	77.0	5,907	55.7	1,008	76.5	890	73.3	7,805
Total	100	7,671	100	1,809	100	1,164	100	10,644[a]

[a]Excludes 4,542 groups whose employment of a medical director was unknown, 70 groups whose specialty composition was unknown, and 229 groups whose employment of a medical director and specialty composition were both unknown. Of the groups whose employment of a medical director was unknown, 4,242 responded to the short-form of the questionnaire, and thus were not asked about a medical director.

Table 7-8: Total Groups by Employment of a Group Administrator, Business Manager, or Health Plan Manager

Employment	Size of Group										
	3	4	5	6	7	8-15	16-25	26-49	50-99	100+	Total
						A. Number					
Yes	1,718	1,334	870	535	329	1,048	309	222	90	79	6,534
No	1,664	961	471	253	157	322	47	17	5	9	3,906
Total	3,382[a]	2,295	1,341	788	486	1,370	356	239	95	88	10,440[b]
						B. Percent					
Yes	50.8	58.1	64.9	67.9	67.7	76.5	86.8	92.9	94.7	89.8	62.6
No	49.2	41.9	35.1	32.1	32.3	23.5	13.2	7.1	5.3	10.2	37.4
Total	100	100	100	100	100	100	100	100	100	100	100

[a]Includes 87 groups with less than 3 physicians that met the AMA definition of group in other important respects.

[b]Excludes 4,261 groups whose employment of a group administrator, business manager, or health plan manager was unknown, 685 groups whose size was unknown, and 99 groups whose employment and size were both unknown. Of the groups whose employment of these personnel was unknown, 4,242 responded to the short-form questionnaire and thus were not asked about them.

Table 7-9: Total Groups by Medical Director and Size

Medical Director	Size of Group										
	3	4	5	6	7	8-15	16-25	26-49	50-99	100+	Total
	A. Number										
Yes	450	394	342	256	182	613	196	157	64	59	2,713
No	2,906	1,856	980	516	289	715	145	76	27	24	7,534
Total	3,356[a]	2,250	1,322	772	471	1,328	341	233	91	83	10,247[b]
	B. Percent										
Yes	13.4	17.5	25.9	33.2	38.6	46.2	57.5	67.4	70.3	71.1	26.5
No	86.6	82.5	74.1	66.8	61.4	53.8	42.5	32.6	29.7	28.9	73.5
Total	100	100	100	100	100	100	100	100	100	100	100

[a]Includes 87 groups with less than 3 physicians that met the AMA definition of group in other important respects.

[b]Excludes 4,454 groups whose employment of a medical director was unknown, 467 groups whose size was unknown, and 317 groups whose employment of a medical director and size were both unknown. Of the groups whose employment of a medical director was unknown, 4,242 responded to the short-form questionnaire and thus were not asked about a medical director.

Hospital Relationships

Medical groups were asked to describe the relationships they maintained with hospitals. Groups could classify themselves as hospital operated, hospital as landlord, hospital associated, other, or having no relationship to a hospital.* In a hospital operated group, the hospital assumes total fiscal accountability for the group, including payment of physicians. When a hospital is the group's landlord, the hospital provides the space in which the group provides services, but the group assumes total fiscal accountability for the practice. In a hospital associated group, the hospital and the group share fiscal accountability such that deficits, surplus, and operating revenues are shared between the hospital and the group. Other frequently volunteered hospital relationships include having hospital privileges, relating to a hospital on a referral basis, and maintaining multiple hospital relationships.

Table 7-10 reports the total number of groups and group physician positions by the groups' relationships to a hospital. Almost one-half of all groups report no hospital relationship. The second most common type of relationship is hospital as landlord. The number of group physician positions in these kinds of relationships reflects the pattern for groups.

Hospital Relationship and Specialty Composition

Regardless of the specialty composition of the group, most groups either have no relationship to a hospital or have a hospital as a landlord (Table 7-11). Multispecialty groups and family or general practice groups are more likely to have no relationship than are single specialty groups, and single specialty groups are more likely to have a hospital landlord than are multispecialty or family or general practice groups.

*These response categories and their definitions are based on the organized ambulatory services questions contained in the American Hospital Association's Annual Survey of Hospitals.

Table 7-10: Total Groups and Group Physician Positions by Relationship of Group to a Hospital

Hospital Relationship	Groups		Group Physician Positions	
	%	N	%	N
Hospital operated	2.4	253	2.6	2,250
Hospital landlord	30.6	3,264	30.4	26,596
Hospital associated	5.5	584	9.0	7,889
Hospital privileges	8.6	916	7.9	6,946
Referral basis	0.9	98	0.9	753
Multiple relationships	0.6	65	0.9	754
Other	4.6	493	10.3	8,992
None	46.7	4,977	38.2	33,435
Total	100	10,650[a]	100	87,615[b]

[a]Excludes 4,835 groups whose hospital relationship was unknown. Of these groups, 4,242 responded to the short-form questionnaire and thus were not asked about hospital relationships.

[b]Excludes 52,777 physician positions in groups whose hospital relationship was unknown.

Table 7-11: Total Groups by Hospital Relationship and Specialty Composition

Hospital Relationship	Specialty Composition: Single Specialty %	Single Specialty N	Multi-Specialty %	Multi-Specialty N	Family or General Practice %	Family or General Practice N	Total %	Total N
Hospital operated	2.2	164	2.7	48	3.1	36	2.3	248
Hospital landlord	35.7	2,720	19.3	349	15.5	179	30.7	3,248
Hospital associated	5.8	441	5.3	96	3.5	40	5.5	577
Hospital privileges	8.5	651	7.6	137	10.9	126	8.6	914
Referral basis	1.1	87	0.5	9	0.2	2	0.9	98
Multiple relationships	0.7	51	0.5	9	0.4	5	0.6	65
Other	4.1	313	7.4	133	3.2	37	4.6	483
None	41.9	3,191	56.8	1,026	63.1	727	46.7	4,944
Total	100	7,618	100	1,807	100	1,152	100	10,577[a]

[a]Excludes 4,609 groups whose hospital relationship was unknown, 73 groups whose specialty composition was unknown, and 226 groups whose hospital relationship and specialty composition were both unknown. Of the groups whose hospital relationship was unknown, 4,242 responded to the short-form questionnaire and thus were not asked about hospital relationship.

Hospital Relationship and Size

Hospital relationships vary little by the size of the group (Table 7-12). Groups of 6 - 15 have hospitals as landlords more frequently than either very small or very large groups. Groups of 100 or more are least likely to have no hospital relationship.

Hospital Relationship and Census Division

Census division has little effect on hospital relationships (Table 7-13). Again the most common hospital relationships in all regions are either hospital as landlord or no relationship.

Hospital Relationship and Legal Form of Organization

More than one-half of all foundations are either hospital associated or have a hospital as a landlord (Table 7-14). Professional corporations report the next highest percentage of groups either hospital associated or have a hospital as landlord (37.1%). Foundations and "other" legal forms of organization are slightly less likely than the other four legal forms of organization to have no relationship with a hospital. Whereas 21.4 percent of foundations and 33.7 percent of "other" legal forms have no relationship to a hospital, over 43 percent of the other four major forms of organization have none.

Summary

The most common legal form of organization among medical groups is the professional corporation. Although the professional corporation is most common among groups of every specialty composition, it is more common among single specialty groups than among multispecialty or family or general practice groups. The professional corporation is also more common among smaller groups than larger groups, and single specialty groups are smaller on average than multispecialty groups (see chapter 4).

Table 7-12: Total Groups by Hospital Relationship and Size

Hospital Relationship	Size of Group										
	3	4	5	6	7	8-15	16-25	26-49	50-99	100+	Total
	A. Number										
Hospital operated	50	42	41	21	15	39	16	12	0	2	238
Hospital landlord	848	629	435	291	201	524	109	52	24	25	3,138
Hospital associated	139	107	71	42	36	88	21	14	6	19	543
Hospital privileges	280	217	103	81	31	123	21	12	9	7	884
Referral basis	17	13	17	14	9	20	3	1	0	1	95
Multiple relationships	18	13	9	4	1	10	3	1	2	1	62
Other	114	74	61	31	23	73	19	33	11	19	458
None	1,808	1,148	565	294	166	474	150	111	41	11	4,768
Total	3,274[a]	2,243	1,302	778	482	1,351	342	236	93	85	10,186[b]
	B. Percent										
Hospital operated	1.5	1.9	3.1	2.7	3.1	2.9	4.7	5.1	0.0	2.4	2.3
Hospital landlord	25.9	28.0	33.4	37.4	41.7	38.8	31.9	22.0	25.8	29.4	30.8
Hospital associated	4.2	4.8	5.5	5.4	7.5	6.5	6.1	5.9	6.5	22.4	5.3
Hospital privileges	8.6	9.7	7.9	10.4	6.4	9.1	6.1	5.1	9.7	8.2	8.7
Referral basis	0.5	0.6	1.3	1.8	1.9	1.5	0.9	0.4	0.0	1.2	0.9
Multiple relationships	0.5	0.6	0.7	0.5	0.2	0.7	0.9	0.4	2.2	1.2	0.6
Other	3.5	3.3	4.7	4.0	4.8	5.4	5.6	14.0	11.8	22.4	4.5
None	55.2	51.2	43.4	37.8	34.4	35.1	43.9	47.0	44.1	12.9	46.8
Total	100	100	100	100	100	100	100	100	100	100	100

[a]Includes 83 groups with less than 3 physicians that met the AMA definition of group in other important respects.

[b]Excludes 4,515 groups whose hospital relationship was unknown, 464 groups whose size was unknown, and 320 groups whose hospital relationship and size were both unknown. Of the groups whose hospital relationship was unknown, 4,242 responded to the short-form questionnaire and thus were not asked about hospital relationship.

Table 7-13: Total Groups by Hospital Relationship and Census Division

Hospital Relationship	New England	Middle Atlantic	South Atlantic	East North Central	East South Central	West North Central	West South Central	Mountain	Pacific	Possessions	Total
					Census Division						
					A. Number						
Hospital operated	18	57	27	55	8	22	8	19	37	2	253
Hospital landlord	211	460	571	675	250	294	273	153	362	15	3,264
Hospital associated	24	83	86	117	24	65	43	46	95	1	584
Hospital privileges	55	150	167	148	57	83	86	52	116	2	916
Referral Basis	5	19	11	20	4	12	6	3	18	0	98
Multiple relationships	1	10	12	13	6	7	6	5	4	1	65
Other	37	60	80	64	36	48	47	22	95	4	493
None	241	636	896	854	265	529	443	311	789	13	4,977
Total	592	1,475	1,850	1,946	650	1,060	912	611	1,516	38	10,650[a]
					B. Percent						
Hospital operated	3.0	3.9	1.5	2.8	1.2	2.1	0.9	3.1	2.4	5.3	2.4
Hospital landlord	35.6	31.2	30.9	34.7	38.5	27.7	29.9	25.0	23.9	39.5	30.7
Hospital associated	4.1	5.6	4.6	6.0	3.7	6.1	4.7	7.5	6.3	2.6	5.5
Hospital privileges	9.3	10.2	9.0	7.6	8.8	7.8	9.4	8.5	7.7	5.3	8.6
Referral basis	0.8	1.3	0.6	1.0	0.6	1.1	0.7	0.5	1.2	0.0	0.9
Multiple relationships	0.2	0.7	0.6	0.7	0.9	0.7	0.7	0.8	0.3	2.6	0.6
Other	6.3	4.1	4.3	3.3	5.5	4.5	5.2	3.6	6.3	10.5	4.6
None	40.7	43.1	48.4	43.9	40.8	49.9	48.6	50.9	52.0	34.2	46.7
Total	100	100	100	100	100	100	100	100	100	100	100

[a]Excludes 4,835 groups whose hospital relationship was unknown. Of these groups, 4,242 responded to the short-form questionnaire and thus were not asked about hospital relationship.

Table 7-14: Total Groups by Hospital Relationship and Legal Form of Organization

Hospital Relationship	Legal Form of Organization: Sole Proprietorship	Partnership	Prof. Corp.	Association	Foundation	Other	Total
			A. Number				
Hospital operated	8	26	117	21	3	72	247
Hospital landlord	24	434	2,490	145	21	138	3,252
Hospital associated	11	90	377	40	9	54	581
Hospital privileges	7	149	653	41	4	57	911
Referral basis	1	7	80	4	1	5	98
Multiple relationships	1	9	49	4	0	2	65
Other	3	76	292	30	6	78	485
None	43	773	3,682	245	12	206	4,961
Total	98	1,564	7,740	530	56	612	10,600[a]
			B. Percent				
Hospital operated	8.2	1.7	1.5	4.0	5.4	11.8	2.3
Hospital landlord	24.5	27.7	32.2	27.4	37.5	22.5	30.7
Hospital associated	11.2	5.8	4.9	7.5	16.1	8.8	5.5
Hospital privileges	7.1	9.5	8.4	7.7	7.1	9.3	8.6
Referral basis	1.0	0.4	1.0	0.8	1.8	0.8	0.9
Multiple relationships	1.0	0.6	0.6	0.8	0.0	0.3	0.6
Other	3.1	4.9	3.8	5.7	10.7	12.7	4.6
None	43.9	49.4	47.6	46.2	21.4	33.7	46.8
Total	100	100	100	100	100	100	100

[a]Excludes 50 groups whose legal form of organization was unknown, 505 groups whose hospital relationship was unknown, and 4,330 groups whose legal form of organization and hospital relationship were both unknown. Of these 4,330 groups, 4,242 responded to the short-form questionnaire and thus were not asked about legal form of organization or hospital relationship.

The fact that large groups and multispecialty groups tend to be some "other" legal form illustrates the changing nature of medical practice. Corporations that are for-profit but not owned by physicians are included in "other" legal forms. These corporate settings are not ones in which physicians have typically practiced.

The complexity of medical groups is illustrated by the fact that nearly two-thirds of all groups employ a group administrator, business manager or health plan manager. About one-fourth of all groups have a medical director. Multispecialty groups were more likely than single specialty or family or general practice groups to use these personnel. Larger groups were also more likely than smaller groups to employ these personnel.

Multispecialty and family or general practice groups are more likely than single specialty groups to have no relationship with a hospital. Since single specialty groups perform a narrower range of procedures than multispecialty or family or general practice groups, maintaining some kind of hospital relationship may be more important for these groups. Among the groups that have a hospital relationship, a hospital as landlord relationship is the most common type, regardless of specialty composition.

Hospital relationships are also related to group size. Groups of size 6-15 are more likely to have a hospital as a landlord than smaller or larger groups. These moderately-sized groups as well as groups with 100 or more physicians are also less likely to have no hospital relationship than groups of other sizes.

A clue as to why moderately-sized groups are less likely to have no hospital relationship than groups of other sizes may be found in an observation made in chapter 6. Anesthesiologists and radiologists tend to form moderately-sized groups, and these specialties conduct much of their work in hospitals.

The fact that smaller groups are more likely to have no hospital relationship, however, is contrary to expectation, given that single specialty groups are more likely than other groups to have a hospital as a landlord and at the same time tend to be smaller. Table 7-15 compares total groups by hospital relationship, size, and controls for specialty composition. Single specialty groups are more likely to have a hospital as a landlord and less likely to have no hospital relationship than either multispecialty or family or general practice groups, regardless of the size of the group. Single specialty groups with three to five members are more likely to have no hospital relationship and less likely to have a hospital as landlord than larger single specialty groups.

Table 7-15: Total Groups by Hospital Relationship, Size, and Specialty Composition

Specialty Composition

A. Single Specialty

Size of Group

Hospital Relationship	3-5 %	3-5 N	6-15 %	6-15 N	16-25 %	16-25 N	26+ %	26+ N
Hospital landlord	31.1	1,658	47.2	827	61.3	84	57.3	51
Other[a]	20.4	1,086	27.3	478	27.0	37	30.3	27
None	48.6	2,591	25.5	446	11.7	16	12.4	11
Total	100	5,335	100	1,751	100	137	100	89

B. Multispecialty

Size of Group

	3-5 %	3-5 N	6-15 %	6-15 N	16-25 %	16-25 N	26+ %	26+ N
Hospital landlord	19.6	100	22.3	152	10.7	19	15.5	48
Other[a]	21.0	107	20.8	142	15.7	28	36.1	112
None	59.4	303	56.9	388	73.6	131	48.4	150
Total	100	510	100	682	100	178	100	310

C. General/Family Practice

Size of Group

	3-5 %	3-5 N	6-15 %	6-15 N	16-25 %	16-25 N	26+ %	26+ N
Hospital landlord	15.6	143	17.8	28	10.5	2	16.7	2
Other[a]	19.7	181	21.7	34	73.7	14	66.7	8
None	64.7	595	60.5	95	15.8	3	16.7	2
Total	100	919	100	157	100	19	100	12

aIncludes the following hospital relationships: hospital operated, hospital associated, hospital privileges, referral basis, multiple relationships and other.

Chapter 8

Providing Prepaid Care

Medical groups were asked to report the percentage of group activity or dollar value of business related to prepaid care. A prepayment mechanism was defined for the groups as a contract in which the group either directly or through a third party agrees to provide care to a distinct group of subscribers in return for a predetermined premium. Groups were instructed not to consider Blue Cross - Blue Shield payments as prepayment. This chapter describes the percentage of group business that is prepaid in relation to the specialty composition of groups, the size of groups, the geographic location of groups or their census division, and the groups' legal form of organization.

Table 8-1 describes the percentage of prepaid care provided by total groups and by group physician positions. About 75 percent of all groups provide no prepaid care. Of the 2,443 groups that do provide some prepaid care, 70.2 percent report that less than 25% of their group activity is prepaid, and only 10.9 percent report that 75% or more of their group activity is prepaid.

Prepaid Care and Specialty Composition

Multispecialty groups are more likely to provide prepaid care than either single specialty or family or general practice groups (Table 8-2). About 36.3 percent of multispecialty groups provide prepaid care, whereas only 22.1 percent of single specialty groups and 27.2 percent of family or general practice groups do.

Of the groups that provide prepaid care, multispecialty groups are more likely to provide greater percentages of prepaid care than either single specialty or family or general practice groups. Only 6.3 percent of

Table 8-1: Total Groups and Group Physician Positions by Group's Percentage of Prepaid Care

Percentage of Prepaid Care	Groups		Group Physician Positions	
	%	N	%	N
0	74.9	7,308	65.0	52,298
1-4	5.6	543	8.1	6,550
5-14	8.9	870	8.5	6,798
15-24	3.1	303	4.0	3,257
25-34	2.2	213	2.1	1,676
35-44	0.9	87	1.1	854
45-54	0.8	77	0.7	596
55-64	0.4	42	0.5	364
65-74	0.4	42	0.4	352
75-84	0.5	44	0.5	370
85-94	0.6	61	1.8	1,423
95-99	0.7	65	2.9	2,335
100	1.0	96	4.4	3,555
Total	100	9,751[a]	100	80,428[b]

[a]Excludes 5,734 groups whose percentage of prepaid care was unknown. Of these groups, 4,242 responded to the short-form questionnaire and thus were not asked about prepaid care.

[b]Excludes 59,964 physician positions in groups whose percentage of prepaid care was unknown.

Table 8-2: Total Groups by Percentage of Prepaid Care and Specialty Composition

Percentage of Prepaid Care	Specialty Composition: Single Specialty %	Single Specialty N	Multi-Specialty %	Multi-Specialty N	Family or General Practice %	Family or General Practice N	Total %	Total N
0	77.9	5,440	63.7	1,041	72.8	782	75.0	7,263
1-4	5.5	381	6.5	106	4.9	53	5.6	540
5-14	8.9	622	8.3	135	10.1	108	8.9	865
15-24	2.5	176	4.7	76	4.4	47	3.1	299
25-49	2.5	174	4.7	76	5.2	56	3.2	306
50-74	1.3	90	2.6	43	1.8	19	1.6	152
75-99	0.9	59	6.2	102	0.7	7	1.7	168
100	0.5	38	3.4	55	0.2	2	1.0	95
Total	100	6,980	100	1,634	100	1,074	100	9,688[a]

[a]Excludes 5,498 groups whose percentage of prepaid care was unknown, 63 groups whose specialty composition was unknown and 236 groups whose percentage of prepaid care and specialty composition were both unknown. Of the groups whose percentage of prepaid care was unknown, 4,242 responded to the short-form questionnaire and thus were not asked about percentage of prepaid care.

the 1,540 single specialty groups that provide prepaid care and 3.1 percent of the 292 family or general practice groups that provide prepaid care reported that 75% or more of their business activity was prepaid. By contrast, more than one-fourth of the 593 multispecialty groups that provide prepaid care reported that 75% or more of their business activity was prepaid. Multispecialty groups comprise over one-half of those groups for which 75% or more of their business activity is prepaid, while single specialty groups comprise over one-half of those groups for which less than 75% of their business activity is prepaid.

Prepaid Care and Size

Larger groups are more likely to provide prepaid care than smaller groups (Table 8-3). Whereas nearly 80 percent of groups with three to five members provide no prepaid care, less than one-half of groups with 50 or more members provide no prepaid care.

Larger groups also tend to provide greater percentages of prepaid care. Only 6 percent of the 1,441 groups with three to five members that provide prepaid care report that 75% or more of their business activity is prepaid. In contrast, 35.3 percent of the 85 groups with 50 or more members that provide prepaid care report that 75% or more of their business is prepaid.

Prepaid Care and Census Division

Groups that do not provide prepaid care are slightly more common in the South Atlantic, East South Central and West South Central census divisions than in other census divisions (Table 8-4). Over 80 percent of the groups in these three regions provide no prepaid care. However, at least two-thirds of the groups in every region except U.S. possessions provide no prepaid care.

Table 8-3: Total Groups by Percentage of Prepaid Care and Size

Percentage of Prepaid Care	Size of Group 3-5	6-15	16-25	26-49	50+	Total
			A. Number			
0	4,881	1,737	211	110	76	7,015
1-4	320	136	25	19	20	520
5-14	578	201	25	20	16	840
15-24	177	78	12	14	11	292
25-49	193	75	9	12	7	296
50-74	86	35	10	10	1	142
75-99	52	48	18	20	17	155
100	35	21	4	11	13	84
Total	6,322[a]	2,331	314	216	161	9,344[b]
			B. Percent			
0	77.2	74.5	67.2	50.9	47.2	75.1
1-4	5.1	5.8	8.0	8.8	12.4	5.6
5-14	9.1	8.6	8.0	9.3	9.9	9.0
15-24	2.8	3.4	3.8	6.5	6.8	3.1
25-49	3.1	3.2	2.9	5.6	4.4	3.2
50-74	1.4	1.5	3.2	4.6	0.6	1.5
75-99	0.8	2.1	5.7	9.3	10.6	1.7
100	0.6	0.9	1.3	5.1	8.1	0.9
Total	100	100	100	100	100	100

[a]Includes 75 groups with less than 3 physicians that met the AMA definition of group in other important respects.

[b]Excludes 407 groups whose size was unknown, 5,357 groups whose percentage of prepaid care was unknown, and 377 groups whose size of group and percentage of prepaid care were both unknown. Of the groups for which percentage of prepaid care was unknown, 4,242 responded to the short-form questionnaire and thus were not asked about percentage of prepaid care.

Table 8-4: Total Groups by Percentage of Prepaid Care and Census Division

Percentage of Prepaid Care	Census Division										
	New England	Middle Atlantic	South Atlantic	East North Central	East South Central	West North Central	West South Central	Mountain	Pacific	Possessions	Total
	A. Number										
0	377	1,005	1,424	1,300	481	717	679	390	920	15	7,308
1-4	48	77	75	121	18	45	34	30	94	1	543
5-14	58	135	101	177	34	81	52	69	159	4	870
15-24	19	33	25	55	10	47	14	26	71	3	303
25-49	14	37	30	51	7	51	21	20	75	2	308
50-74	10	24	19	30	7	10	10	9	33	1	153
75-99	8	39	20	31	5	10	5	11	34	7	170
100	7	14	16	19	3	5	4	10	18	0	96
Total	541	1,364	1,710	1,784	565	966	819	565	1,404	33	9,751[a]
	B. Percent										
0	69.7	73.7	83.3	72.9	85.1	74.2	82.9	69.0	65.5	45.5	74.9
1-4	8.9	5.6	4.4	6.8	3.2	4.7	4.2	5.3	6.7	3.0	5.6
5-14	10.7	9.9	5.9	9.9	6.0	8.4	6.3	12.2	11.3	12.1	8.9
15-24	3.5	2.4	1.5	3.1	1.8	4.9	1.7	4.6	5.1	9.1	3.1
25-49	2.6	2.7	1.8	2.9	1.2	5.3	2.6	3.5	5.3	6.1	3.2
50-74	1.8	1.8	1.1	1.7	1.2	1.0	1.2	1.6	2.4	3.0	1.6
75-99	1.5	2.9	1.2	1.7	0.9	1.0	0.6	2.0	2.4	21.2	1.7
100	1.3	1.0	0.9	1.1	0.5	0.5	0.5	1.8	1.3	0.0	1.0
Total	100	100	100	100	100	100	100	100	100	100	100

[a]Excludes 5,734 groups whose percentage of prepaid care was unknown. Of these groups, 4,242 responded to the short-form questionnaire and thus were not asked about percentage of prepaid care.

The 2,443 groups that provide prepaid care tend to be located in five census divisions: the Middle Atlantic, the South Atlantic, the East North Central, the West North Central and the Pacific (Table 8-5). Nearly 40 percent of all groups that provide prepaid care are located in either the East North Central or the Pacific regions.

Prepaid Care and Legal Form of Organization*

Some forms of organization are more likely to provide prepaid care than others (Table 8-6). In particular, foundations and "other" legal forms are more likely to provide prepaid care than sole proprietorships, partnerships, professional corporations, and associations. Over one-third of all foundations and "other" legal forms provide prepaid care, but only about one-quarter of the groups with the other four legal forms do.

Of the groups that provide prepaid care, groups with "other" legal forms of organization report a greater percentage of their business activity as prepaid than groups with the five major legal forms of organization. About 35 percent of the 186 groups with "other" legal forms that provide prepaid care report that 75% or more of their business is prepaid. Only about 12 percent or less of the groups with the five major legal forms of organization that provide prepaid care report that 75% or more of their business activity is prepaid.

Summary

Groups that provide prepaid care are more likely to be multispecialty groups and have more members than groups that do not provide prepaid care. Prepaid groups may tend to be multispecialty, and large, because such groups are better able to meet all the health care needs of their patients.

*The different legal forms of organization assumed by medical groups are defined in appendix D.

Table 8-5: Groups with Prepayment and Physician Positions in Prepaid Groups by Census Division of Group

Census Division	Groups with Prepayment		Physician Positions in Prepaid Groups	
	%	N	%	N
New England	6.7	164	7.3	2,063
Middle Atlantic	14.7	359	10.3	2,889
South Atlantic	11.7	286	10.8	3,034
East North Central	19.8	484	22.2	6,248
East South Central	3.4	84	2.6	721
West North Central	10.2	249	11.2	3,143
West South Central	5.7	140	7.0	1,976
Mountain	7.2	175	6.5	1,819
Pacific	19.8	484	21.8	6,124
Possessions	0.7	18	0.4	113
Total	100	2,443[a]	100	28,130[b]

[a]Excludes 7,308 groups that provided no prepaid care and 5,734 groups whose percentage of prepaid care was unknown. Of the groups for which percentage of prepaid care was unknown, 4,242 responded to the short-form questionnaire and thus were not asked about percentage of prepaid care.

[b]Excludes 52,298 physician positions in groups that provided no prepaid care and 59,964 physician positions in groups whose percentage of prepaid care was unknown.

Table 8-6: Total Groups by Percentage of Prepaid Car

Percentage of Prepaid Care	Sole Proprietorship	Partnership
0	63	1,049
1-4	2	63
5-14	10	126
15-24	2	45
25-49	4	50
50-74	3	26
75-99	1	19
100	1	11
Total	86	1,389
0	73.3	75.5
1-4	2.3	4.5
5-14	11.6	9.1
15-24	2.3	3.2
25-49	4.7	3.6
50-74	3.5	1.9
75-99	1.2	1.4
100	1.2	0.8
Total	100	100

[a]Excludes 41 groups whose legal form of organization
care was unknown, and 4,339 groups whose legal form
both unknown. Of the groups for which both are unk
thus were not asked about either legal form of orga

and Legal Form of Organization

Legal Form of Organization				
Prof. Corp	Associa-tion	Founda-tion	Other	Total
	A. Number			
5,404	372	29	366	7,283
412	16	8	39	540
644	43	6	38	867
229	15	1	11	303
216	10	2	23	305
103	9	0	9	150
101	6	0	41	168
50	7	0	25	94
7,159	478	46	552	9,710[a]
	B. Percent			
75.5	77.8	63.0	66.3	75.0
5.8	3.3	17.4	7.1	5.6
9.0	9.0	13.0	6.9	8.9
3.2	3.1	2.2	2.0	3.1
3.0	2.1	4.4	4.2	3.1
1.4	1.9	0.0	1.6	1.5
1.4	1.3	0.0	7.4	1.7
0.7	1.5	0.0	4.5	1.0
100	100	100	100	100

vas unknown, 1,395 groups whose percentage of prepaid
of organization and percentage of prepaid care were
own, 4,242 responded to the short-form questionnaire and
zation or percentage of prepaid care.

Prepaid groups are also slightly more likely to be located in the New England, Middle Atlantic, East North Central, West North Central, Mountain, and Pacific census divisions, and in the U.S. possessions. Chapter 5 noted that medical groups were concentrated in three of these regions: the Middle Atlantic, East North Central and the Pacific. Perhaps the competition which gave rise to medical groups is also partly responsible for the institution of prepayment. Finally, groups that provide prepaid care are more likely to be foundations or some "other" legal form of organization than groups that do not. Prepaid organizations, such as health maintenance organizations, are frequently organized as corporations.

Groups that provide greater percentages of prepaid care are more likely to be multispecialty and large. Groups that provide greater percentages of prepaid care are also more likely to be located in the Middle Atlantic, the South Atlantic, the East North Central, the West North Central and the Pacific census divisions. Finally, groups with high percentages of prepaid care are more likely to be some "other" legal form of organization. Characteristics that distinguish groups that provide prepaid care from groups that do not also distinguish groups that provide large amounts of prepaid care from those that provide small amounts.

Chapter 9

Medical Facilities and Business Equipment On-Site

Medical groups were asked questions about on-site medical facilities and ownership or use of business equipment to enhance their practices. Groups were asked whether they had the following major on-site facilities: pharmacy, clinical laboratory, routine radiology, routine electrocardiology, audiology, or vision testing. Groups could respond that they had these on-site facilities full service, limited service, or none at all. In addition to these major facilities, groups could specify whether they had any other major facilities on-site.

Groups were also asked about two types of business equipment: VCRs for use in patient education or continuing medical education, and computers for business transactions, clinical records and medical (non-patient) data retrieval. Groups were asked if they did not currently use a computer for these applications, whether they planned to within the next year.

This chapter examines the on-site availability of selected medical facilities, and the current and planned use of business equipment in relation to the group's specialty composition, the group's size, and the group's relationship to a hospital.

Medical Facilities

Table 9-1 reports the number of medical groups with the six major facilities listed above. Groups are more likely to have routine radiology and routine electrocardiology on-site than the other major facilities. Groups are least likely to have a pharmacy on-site.

Table 9-1: Total Groups by Selected Facilities On-Site

Extent of Service	Facilities: Pharmacy %	Pharmacy N	Clinical Laboratory %	Clinical Laboratory N	Routine Radiology %	Routine Radiology N	Routine Electrocardiology %	Routine Electrocardiology N	Audiology %	Audiology N	Vision Testing %	Vision Testing N
Full service	19.1	1,769	26.6	2,622	35.8	3,570	38.4	3,638	18.4	1,685	20.6	1,868
Limited service	4.1	375	32.5	3,201	18.5	1,850	11.7	1,112	17.4	1,590	24.9	2,256
None	76.8	7,113	40.9	4,022	45.7	4,559	49.9	4,723	64.2	5,867	54.6	4,951
Total	100	9,257[a]	100	9,845[b]	100	9,979[c]	100	9,473[d]	100	9,142[e]	100	9,075[f]

[a]Excludes 6,228 groups for which a pharmacy on-site was unknown. Of these groups, 4,242 responded to the short-form questionnaire and thus were not asked about facilities.

[b]Excludes 5,640 groups for which a clinical laboratory on-site was unknown. Of these groups, 4,242 responded to the short-form questionnaire and thus were not asked about facilities.

[c]Excludes 5,506 groups for which routine radiology on-site was unknown. Of these groups, 4,242 responded to the short-form questionnaire and thus were not asked about facilities.

[d]Excludes 6,012 groups for which routine electrocardiology on-site was unknown. Of these groups, 4,242 responded to the short-form questionnaire and thus were not asked about facilities.

[e]Excludes 6,343 groups for which audiology on-site was unknown. Of these groups, 4,242 responded to the short-form questionnaire and thus were not asked about facilities.

[f]Excludes 6,410 groups for which vision testing on-site was unknown. Of these groups 4,242 responded to the short-form questionnaire and thus were not asked about facilities.

Groups also reported facilities on-site other than the six major ones (Table 9-2). Physical therapy and ultrasound facilities were among the most commonly mentioned other facilities on-site.

Facilities and Specialty Composition

Multispecialty groups and family or general practice groups were more likely to report at least limited service of the six major facilities on-site than single specialty groups (Tables 9-3 through 9-8). Although multispecialty groups and family or general practice groups are more likely to have these facilities on-site, the level of service they maintain differs. Multispecialty groups are more likely to offer full service facilities on-site, while family or general practice groups are more likely to offer limited service facilities on-site. An exception to this pattern exists with respect to routine electrocardiology (Table 9-6). For this facility, a greater percentage of family or general practice groups offer full service than limited service.

Facilities and Size

Larger groups are much more likely than smaller groups to offer the six major facilities on-site (Table 9-9 through 9-14). More specifically, as group size increases, the percentage of groups offering full service facilities increases. Not only does the percentage of groups offering no facility decrease as the size of group increases, but so does the percentage of groups offering only limited service facilities. Groups offering full service facilities tend to be larger than groups that offer limited or no service.

Facilities and Hospital Relationship

Groups that are hospital operated are more likely than groups with other kinds of hospital relationships to offer the six major facilities on-site (tables 9-15 through 9-20). For each facility, hospital operated

Table 9-2: Groups with Other Facilities On-Site by Type of Facility on Site

Facilities	%	N
Physical therapy	11.8	280
Ultrasound/Doppler Devices/ Echocardiography	14.4	340
Nuclear Medicine	2.5	59
Pulmonary Function Testing/ Holter Monitors/Recorders/ ECG Portable Scanners	8.7	205
Stress testing/Treadmill/ Exercise Testing	8.1	192
Ambulatory/After-hours/ Emergency Treatment Center	1.6	38
Casting	0.5	13
Oral Surgery/Dental Services	0.4	10
Allergy Testing	1.4	34
Orthotics	0.1	2
Dietition and Patient Education	0.3	7
Tonometry/Optical Shop/ Fitting and Dispensing Eye Glasses and Contact Lenses	2.2	52
CAT or CT Scan/Tomography	3.5	83
Electroencephalograph/ EEG/Evoked Response	3.5	83
Cystoscopy/Endoscopy Laboratory	2.1	49
EMG/Electromyogram	1.6	38
X-ray/X-ray treatment	2.3	55
Minor surgery/Operating Room	3.7	87
Other	31.3	741
Total	100	2,368[a]

[a]Includes only those groups that indicated that they had facilities other than pharmacy, clinical laboratory, routine radiology, routine electrocardiology, audiology or vision testing on-site.

Table 9-3: Total Groups by Pharmacy On-Site and Specialty Composition

Extent of Service	Specialty Composition: Single Specialty %	Single Specialty N	Multi-Specialty %	Multi-Specialty N	Family or General Practice %	Family or General Practice N	Total %	Total N
Full Service	13.5	872	40.8	674	19.4	212	19.1	1,758
Limited Service	2.7	175	6.1	101	9.1	99	4.1	375
None	83.8	5,403	53.1	878	71.5	781	76.8	7,062
Total	100	6,450	100	1,653	100	1,092	100	9,195[a]

[a]Excludes 5,991 groups for which a pharmacy on-site was unknown, 62 groups whose specialty composition was unknown and 237 groups for which both pharmacy and specialty composition were unknown. Of the groups for which a pharmacy on-site was unknown, 4,242 responded to the short-form questionnaire and thus were not asked about facilities.

Table 9-4: Total Groups by Clinical Laboratory On-Site and Specialty Composition

Extent of Service	Specialty Composition: Single Specialty %	Single Specialty N	Multi-Specialty %	Multi-Specialty N	Family or General Practice %	Family or General Practice N	Total %	Total N
Full Service	21.2	1,446	47.0	842	27.1	321	26.7	2,609
Limited Service	25.7	1,747	37.4	671	64.3	761	32.5	3,179
None	53.1	3,613	15.6	279	8.5	101	40.8	3,993
Total	100	6,806	100	1,792	100	1,183	100	9,781[a]

[a]Excludes 5,405 groups for which clinical laboratory on-site was unknown, 64 groups whose specialty composition was unknown, and 235 groups for which both clinical laboratory on-site and specialty composition were unknown. Of the groups for which clinical laboratory on-site was unknown, 4,242 responded to the short-form questionnaire and thus were not asked about facilities.

Table 9-5: Total Groups by Routine Radiology On-Site and Specialty Composition

Extent of Service	Specialty Composition: Single Specialty %	Single Specialty N	Multi-Specialty %	Multi-Specialty N	Family or General Practice %	Family or General Practice N	Total %	Total N
Full Service	30.8	2,151	55.9	988	35.3	413	35.8	3,552
Limited Service	14.7	1,024	21.9	387	36.4	426	18.5	1,837
None	54.5	3,802	22.3	394	28.2	330	45.6	4,526
Total	100	6,977	100	1,769	100	1,169	100	9,915[a]

[a]Excludes 5,271 groups for which routine radiology on-site was unknown, 64 groups whose specialty composition was unknown, and 235 groups for which both routine radiology on-site and specialty composition were unknown. Of the groups for which routine radiology on-site was unknown, 4,242 responded to the short-form questionnaire and thus were not asked about facilities.

Table 9-6: Total Groups by Routine Electrocardiology On-Site and Specialty Composition

Extent of Service	Specialty Composition: Single Specialty %	Single Specialty N	Multi-Specialty %	Multi-Specialty N	Family or General Practice %	Family or General Practice N	Total %	Total N
Full Service	25.9	1,681	69.1	1,206	62.6	733	38.5	3,620
Limited Service	6.5	424	17.6	307	31.5	368	11.7	1,099
None	67.6	4,390	13.3	233	5.9	69	49.9	4,692
Total	100	6,495	100	1,746	100	1,170	100	9,411[a]

[a]Excludes 5,775 groups for which routine electrocardiology on-site was unknown, 62 groups whose specialty composition was unknown and 237 groups for which both routine electrocardiology on-site and specialty composition were unknown. Of the groups for which routine electrocardiology on-site was unknown, 4,242 responded to the short-form questionnaire and thus were not asked about facilities.

Table 9-7: Total Groups by Audiology On-Site and Specialty Composition

Extent of Service	Specialty Composition: Single Specialty %	Single Specialty N	Multi-Specialty %	Multi-Specialty N	Family or General Practice %	Family or General Practice N	Total %	Total N
Full Service	12.1	765	38.9	645	23.4	264	18.4	1,674
Limited Service	10.0	627	27.1	449	44.6	503	17.4	1,579
None	77.9	4,907	34.1	565	31.9	360	64.2	5,832
Total	100	6,299	100	1,659	100	1,127	100	9,085[a]

[a]Excludes 6,101 groups for which audiology on-site was unknown, 57 groups whose specialty composition was unknown and 242 groups for which both audiology on-site and specialty composition were unknown. Of the groups for which audiology on-site was unknown, 4,242 responded to the short-form questionnaire and were not asked about facilities.

Table 9-8: Total Groups by Vision Testing On-Site and Specialty Composition

Extent of Service	Specialty Composition: Single Specialty %	Single Specialty N	Multi-Specialty %	Multi-Specialty N	Family or General Practice %	Family or General Practice N	Total %	Total N
Full Service	14.7	917	41.4	683	23.0	257	20.6	1,857
Limited Service	15.5	971	33.6	555	64.3	717	24.9	2,243
None	69.8	4,359	25.0	413	12.6	141	54.5	4,913
Total	100	6,247	100	1,651	100	1,115	100	9,013[a]

[a]Excludes 6,173 groups for which vision testing on-site was unknown, 62 groups whose specialty composition was unknown and 237 groups for which both vision testing on-site and specialty composition were unknown. Of the groups for which vision testing on-site was unknown, 4,242 responded to the short-form questionnaire and thus were not asked about facilities.

Table 9-9: Total Groups by Pharmacy On-Site and Size

Extent of Service	Size of Group										
	3	4	5	6	7	8-15	16-25	26-49	50-99	100+	Total
A. Number											
Full Service	318	244	151	133	83	336	157	141	59	53	1,675
Limited Service	109	75	49	25	17	46	15	10	3	3	352
None	2,554	1,644	907	464	289	720	138	66	26	23	6,831
Total	2,981[a]	1,963	1,107	622	389	1,102	310	217	88	79	8,858[b]
B. Percent											
Full Service	10.7	12.4	13.6	21.4	21.3	30.5	50.7	65.0	67.0	67.1	18.9
Limited Service	3.7	3.8	4.4	4.0	4.4	4.2	4.8	4.6	3.4	3.8	4.0
None	85.7	83.8	81.9	74.6	74.3	65.3	44.5	30.4	29.5	29.1	77.1
Total	100	100	100	100	100	100	100	100	100	100	100

[a]Excludes 81 groups with less than 3 physicians that met the AMA definition of group in other important respects.

[b]Excludes 5,843 groups for which pharmacy on-site was unknown, 399 groups whose size was unknown and 385 groups for which both pharmacy on-site and size were unknown. Of the groups for which pharmacy on-site was unknown, 4,242 responded to the short-form questionnaire and thus were not asked about facilities.

Table 9-10: Total Groups by Clinical Laboratory On-Site and Size

Extent of Service	Size of Group 3	4	5	6	7	8-15	16-25	26-49	50-99	100+	Total
						A. Number					
Full Service	490	448	286	207	133	463	188	163	65	62	2,505
Limited Service	1,228	775	390	177	112	266	63	39	11	5	3,066
None	1,427	875	508	292	175	444	76	26	13	16	3,852
Total	3,145[a]	2,098	1,184	676	420	1,173	327	228	89	83	9,423[b]
						B. Percent					
Full Service	15.6	21.4	24.2	30.6	31.7	39.5	57.5	71.5	73.0	74.7	26.6
Limited Service	39.0	36.9	32.9	26.2	26.7	22.7	19.3	17.1	12.4	6.0	32.5
None	45.4	41.7	42.9	43.2	41.7	37.9	23.2	11.4	14.6	19.3	40.9
Total	100	100	100	100	100	100	100	100	100	100	100

[a]Includes 85 groups with less than 3 physicians that met the AMA definition of group in other important respects.

[b]Excludes 5,278 groups for which clinical laboratory on-site was unknown, 422 groups whose size was unknown and 362 groups for which both clinical laboratory on-site and size were unknown. Of the groups for which clinical laboratory on-site was unknown, 4,242 responded to the short-form questionnaire and thus were not asked about facilities.

Table 9-11: Total Groups by Routine Radiology On-Site and Size

Extent of Service	Size of Group										
	3	4	5	6	7	8-15	16-25	26-49	50-99	100+	Total
	A. Number										
Full Service	690	585	435	322	196	650	222	183	73	62	3,418
Limited Service	661	457	227	112	68	189	35	13	1	3	1,766
None	1,784	1,058	547	278	165	395	75	34	13	16	4,365
Total	3,135[a]	2,100	1,209	712	429	1,234	332	230	87	81	9,549[b]
	B. Percent										
Full Service	22.0	27.9	36.0	45.2	45.7	52.7	66.9	79.6	83.9	76.5	35.8
Limited Service	21.1	21.8	18.8	15.7	15.9	15.3	10.5	5.7	1.2	3.7	18.5
None	56.9	50.4	45.2	39.0	38.5	32.0	22.6	14.8	14.9	19.8	45.7
Total	100	100	100	100	100	100	100	100	100	100	100

[a]Includes 84 groups with less than 3 physicians that met the AMA definition of group in other important respects.

[b]Excludes 5,152 groups for which routine radiology on-site was unknown, 430 groups whose size was unknown, and 354 groups for which both routine radiology and size were unknown. Of the groups for which routine radiology on-site was unknown, 4,242 responded to the short-form questionnaire and thus were not asked about facilities.

Table 9-12: Total Groups by Routine Electrocardiology On-Site and Size

Extent of Service	Size of Group 3	4	5	6	7	8-15	16-25	26-49	50-99	100+	Total
						A. Number					
Full Service	920	641	387	257	157	553	204	192	75	68	3,454
Limited Service	386	264	130	71	50	116	30	9	3	2	1,061
None	1,732	1,094	610	313	195	474	77	24	11	14	4,544
Total	3,038[a]	1,999	1,127	641	402	1,143	311	225	89	84	9,059[b]
						B. Percent					
Full Service	30.3	32.1	34.3	40.1	39.1	48.4	65.6	85.3	84.3	81.0	38.1
Limited Service	12.7	13.2	11.5	11.1	12.4	10.1	9.6	4.0	3.4	2.4	11.7
None	57.0	54.7	54.1	48.8	48.5	41.5	24.8	10.7	12.4	16.7	50.2
Total	100	100	100	100	100	100	100	100	100	100	100

[a]Includes 80 groups with less than 3 physicians that met the AMA definition of group in other important respects.

[b]Excludes 5,642 groups for which routine electrocardiology on-site was unknown, 414 groups whose size was unknown, and 370 groups for which both routine electrocardiology on-site and size were unknown. Of the groups for which routine electrocardiology on-site was unknown, 4,242 responded to the short-form questionnaire and thus were not asked about facilities.

Table 9-13: Total Groups by Audiology On-Site and Size

Extent of Service	Size of Group 3	4	5	6	7	8-15	16-25	26-49	50-99	100+	Total
						A. Number					
Full Service	344	240	150	107	68	280	144	140	57	57	1,587
Limited Service	470	362	194	110	61	198	68	40	10	7	1,520
None	2,141	1,334	739	398	258	606	94	41	17	18	5,646
Total	2,955[a]	1,936	1,083	615	387	1,084	306	221	84	82	8,753[b]
						B. Percent					
Full Service	11.6	12.4	13.9	17.4	17.6	25.8	47.1	63.3	67.9	69.5	18.1
Limited Service	15.9	18.7	17.9	17.9	15.8	18.3	22.2	18.1	11.9	8.5	17.4
None	72.5	68.9	68.2	64.7	66.7	55.9	30.7	18.6	20.2	22.0	64.5
Total	100	100	100	100	100	100	100	100	100	100	100

[a]Includes 79 groups with less than 3 physicians that met the AMA definition of group in other important respects.

[b]Excludes 5,948 groups for which audiology on-site was unknown, 389 groups whose size was unknown and 395 groups for which both audiology on-site and size were unknown. Of the groups for which audiology on-site was unknown, 4,242 responded to the short-form questionnaire and thus were not asked about facilities.

Table 9-14: Total Groups by Vision Testing On-Site and Size

Extent of Service	Size of Group										
	3	4	5	6	7	8-15	16-25	26-49	50-99	100+	Total
	A. Number										
Full Service	401	263	173	123	73	303	157	150	61	59	1,763
Limited Service	783	526	275	152	85	235	60	34	11	5	2,166
None	1,752	1,106	625	342	224	547	90	39	14	16	4,755
Total	2,936[a]	1,895	1,073	617	382	1,085	307	223	86	80	8,684[b]
	B. Percent										
Full Service	13.7	13.9	16.1	19.9	19.1	27.9	51.1	67.3	70.9	73.8	20.3
Limited Service	26.7	27.8	25.6	24.6	22.3	21.7	19.5	15.2	12.8	6.3	24.9
None	59.7	58.4	58.3	55.4	58.6	50.4	29.3	17.5	16.3	20.0	54.8
Total	100	100	100	100	100	100	100	100	100	100	100

[a]Includes 78 groups with less than 3 physicians that met the AMA definition of group in other important respects.

[b]Excludes 6,017 groups for which vision testing on-site was unknown, 391 groups whose size was unknown and 393 groups for which both vision testing on-site and size were unknown. Of the groups for which vision testing on-site was unknown, 4,242 responded to the short-form questionnaire and thus were not asked about facilities.

Table 9-15: Total Groups by Pharmacy On-Site and Hospital Relationship

Extent of Service	Hospital Relationship: Hospital Operated	Hospital Landlord	Hospital Associated	Hospital Privileges	Referral Basis	Multiple Relationships	Other	None	Total
				A. Number					
Full Service	72	551	148	103	7	6	111	700	1,698
Limited Service	26	78	28	31	2	3	23	164	355
None	98	1,976	301	592	57	46	268	3,466	6,804
Total	196	2,605	477	726	66	55	402	4,330	8,857[a]
				B. Percent					
Full Service	36.7	21.2	31.0	14.2	10.6	10.9	27.6	16.2	19.2
Limited Service	13.3	3.0	5.9	4.3	3.0	5.5	5.7	3.8	4.0
None	50.0	75.9	63.1	81.5	86.4	83.6	66.7	80.0	76.8
Total	100	100	100	100	100	100	100	100	100

[a]Excludes 1,793 groups for which pharmacy on-site was unknown, 400 groups whose hospital relationship was unknown, and 4,435 groups for which both pharmacy on-site and hospital relationship were unknown. Of these 4,435 groups, 4,242 responded to the short-form questionnaire and thus were not asked about facilities or hospital relationships.

Table 9-16: Total Groups by Clinical Laboratory On-Site and Hospital Relationship

Extent of Service	Hospital Operated	Hospital Landlord	Hospital Associated	Hospital Privileges	Referral Basis	Multiple Relationships	Other	None	Total
	Hospital Relationship								
	A. Number								
Full Service	121	778	233	174	31	14	149	1,011	2,511
Limited Service	52	562	114	253	15	20	140	1,888	3,044
None	51	1,388	169	338	33	26	147	1,698	3,850
Total	224	2,728	516	765	79	60	436	4,597	9,405[a]
	B. Percent								
Full Service	54.0	28.5	45.2	22.7	39.2	23.3	34.2	22.0	26.7
Limited Service	23.2	20.6	22.1	33.1	19.0	33.3	32.1	41.1	32.4
None	22.8	50.9	32.8	44.2	41.8	43.3	33.7	36.9	40.9
Total	100	100	100	100	100	100	100	100	100

[a]Excludes 1,245 groups for which clinical laboratory on-site was unknown, 440 groups whose hospital relationship was unknown, and 4,395 groups for which both clinical laboratory on-site and hospital relationship were unknown. Of these 4,395 groups, 4,242 responded to the short-form questionnaire and thus were not asked about facilities or hospital relationships.

Table 9-17: Total Groups by Routine Radiology On-Site and Hospital Relationship

Extent of Service	Hospital Relationship: Hospital Operated	Hospital Landlord	Hospital Associated	Hospital Privileges	Referral Basis	Multiple Relationships	Other	None	Total
A. Number									
Full Service	113	1,139	232	288	28	13	162	1,430	3,405
Limited Service	19	297	60	174	8	13	80	1,112	1,763
None	75	1,426	206	351	35	31	180	2,066	4,370
Total	207	2,862	498	813	71	57	422	4,608	9,538[a]
B. Percent									
Full Service	54.6	39.8	46.6	35.4	39.4	22.8	38.4	31.0	35.7
Limited Service	9.2	10.4	12.0	21.4	11.3	22.8	19.0	24.1	18.5
None	36.2	49.8	41.4	43.2	49.3	54.4	42.7	44.8	45.8
Total	100	100	100	100	100	100	100	100	100

[a]Excludes 1,112 groups for which routine radiology on-site was unknown, 441 groups whose hospital relationship was unknown and 4,394 groups for which both routine radiology on-site and hospital relationship were unknown. Of these 4,394 groups, 4,242 responded to the short-form questionnaire and thus were not asked about facilities or hospital relationships.

Table 9-18: Total Groups by Routine Electrocardiology On-Site and Hospital Relationship

Extent of Service	Hospital Operated	Hospital Landlord	Hospital Associated	Hospital Privileges	Referral Basis	Multiple Relation-ships	Other	None	Total
				Hospital Relationship					
				A. Number					
Full Service	119	890	219	265	13	13	188	1,776	3,483
Limited Service	18	193	43	95	6	5	51	647	1,058
None	63	1,558	211	384	44	35	166	2,056	4,517
Total	200	2,641	473	744	63	53	405	4,479	9,058[a]
				B. Percent					
Full Service	59.5	33.7	46.3	35.6	20.6	24.5	46.4	39.7	38.5
Limited Service	9.0	7.3	9.1	12.8	9.5	9.4	12.6	14.4	11.7
None	31.5	59.0	44.6	51.6	69.8	66.0	41.0	45.9	49.9
Total	100	100	100	100	100	100	100	100	100

[a]Excludes 1,592 groups for which routine electrocardiology on-site was unknown, 415 groups whose hospital relationship was unknown, and 4,420 groups for which both routine electrocardiology on-site and hospital relationship were unknown. Of these 4,420 groups, 4,242 responded to the short-form questionnaire and thus were not asked about facilities or hospital relationships.

Table 9-19: Total Groups by Audiology On-Site and Hospital Relationship

Extent of Service	Hospital Relationship: Hospital Operated	Hospital Landlord	Hospital Associated	Hospital Privileges	Referral Basis	Multiple Relationships	Other	None	Total
A. Number									
Full Service	63	459	116	122	3	7	87	769	1,626
Limited Service	40	245	63	119	7	5	86	957	1,522
None	87	1,840	276	486	53	41	225	2,597	5,605
Total	190	2,544	455	727	63	53	398	4,323	8,753[a]
B. Percent									
Full Service	33.2	18.0	25.5	16.8	4.8	13.2	21.9	17.8	18.6
Limited Service	21.1	9.6	13.8	16.4	11.1	9.4	21.6	22.1	17.4
None	45.8	72.3	60.7	66.9	84.1	77.4	56.5	60.1	64.0
Total	100	100	100	100	100	100	100	100	100

[a]Excludes 1,897 groups for which audiology on-site was unknown, 389 groups whose hospital relationship was unknown, and 4,446 groups for which both audiology on-site and hospital relationship were unknown. Of these 4,446 groups, 4,242 responded to the short-form questionnaire and thus were not asked about facilities or hospital relationships.

Table 9-20: Total Groups by Vision Testing On-Site and Hospital Relationship

Extent of Service	Hospital Relationship: Hospital Operated	Hospital Landlord	Hospital Associated	Hospital Privileges	Referral Basis	Multiple Relationships	Other	None	Total
A. Number									
Full Service	70	485	123	127	5	6	114	859	1,789
Limited Service	54	354	85	190	8	11	99	1,361	2,162
None	69	1,670	236	404	48	35	192	2,080	4,734
Total	193	2,509	444	721	61	52	405	4,300	8,685[a]
B. Percent									
Full Service	36.3	19.3	27.7	17.6	8.2	11.5	28.2	20.0	20.6
Limited Service	28.0	14.1	19.1	26.4	13.1	21.2	24.4	31.7	24.9
None	35.8	66.6	53.2	56.0	78.7	67.3	47.4	48.4	54.5
Total	100	100	100	100	100	100	100	100	100

[a]Excludes 1,965 groups for which vision testing on-site was unknown, 390 groups whose hospital relationship was unknown, and 4,445 groups for which both vision testing on-site and hospital relationship were unknown. Of these 4,445 groups, 4,242 responded to the short-form questionnaire and thus were not asked about facilities or hospital relationships.

groups report the smallest percentage of groups with no facilities and the greatest percentage of groups with full service facilities.

Interestingly, groups with no hospital relationships are not necessarily least likely to offer full service facilities or most likely to offer no facility. For pharmacy, routine electrocardiology, audiology and vision testing, groups that relate to a hospital on a referral basis or have multiple relationships with hospitals report the smallest percentage of groups with full service facilities and the greatest percentage of groups with no facility.

Business Equipment: Videocassette Recorder Ownership

Table 9-21 reports the number and percentage of groups that own videocassette recorders for use in patient education or continuing medical education and the physician positions affiliated with these groups. Only about 32 percent of all groups reported ownership of a VCR for these purposes. Almost one-half of all physician positions have access to a VCR.

Multispecialty and single specialty groups are equally likely to own a VCR for patient and professional education purposes, 36 percent and 32 percent respectively (Table 9-22). Family or general practice groups are much less likely to own a VCR.

As groups increase in size, they are much more likely to own VCRs (Table 9-23). Less than one-half of the groups with 25 or fewer members own VCRs, whereas over one-half of the groups with 26 or more members do.

VCR ownership is related to geographic location (Table 9-24). About one-third or more of all groups in the South Atlantic, the East South Central, the West South Central, the Mountain and the Pacific census divisions own a VCR. Less than one-third of the groups in New England, Middle Atlantic, East North Central and West North Central census divisions and U.S. possessions own one.

Table 9-21: Total Groups and Group Physician Positions by Group's Videocassette Recorder Ownership

Videocassette Recorder Ownership	Groups		Group Physician Positions	
	%	N	%	N
Yes	31.9	3,489	46.4	41,117
No	68.1	7,442	53.6	47,509
Total	100	10,931[a]	100	88,626[b]

[a]Excludes 4,554 groups whose videocassette recorder ownership was unknown. Of these groups, 4,242 responded to the short-form questionnaire and thus were not asked about videocassette recorder ownership.

[b]Excludes 51,766 physician positions in groups whose videocassette recorder ownership was unknown. Of these physician positions, 48,540 were in groups that responded to the short-form of the questionnaire, and thus were not asked about videocassette recorder ownership.

Table 9-22: Total Groups by Videocassette Recorder Ownership and Specialty Composition

Videocassette Recorder Ownership	Specialty Composition: Single Specialty %	Single Specialty N	Multi-Specialty %	Multi-Specialty N	Family or General Practice %	Family or General Practice N	Total %	Total N
Yes	32.3	2,524	36.0	664	23.2	277	31.9	3,465
No	67.7	5,293	64.0	1,180	76.8	917	68.1	7,390
Total	100	7,817	100	1,844	100	1,194	100	10,855[a]

[a]Excludes 4,331 groups whose videocassette recorder ownership was unknown, 76 groups whose specialty composition was unknown, and 223 groups whose videocassette recorder ownership and specialty composition were both unknown. Of the groups whose videocassette recorder ownership was unknown, 4,242 responded to the short-form questionnaire and thus were not asked about videocassette recorder ownership.

Table 9-23: Total Groups by Videocassette Recorder Ownership and Size

Videocassette Recorder Ownership	Size of Group										
	3	4	5	6	7	8-15	16-25	26-49	50-99	100+	Total
	A. Number										
Yes	880	660	424	251	174	509	170	129	52	63	3,312
No	2,496	1,656	926	538	317	859	180	107	38	22	7,139
Total	3,376[a]	2,316	1,350	789	491	1,368	350	236	90	85	10,451[b]
	B. Percent										
Yes	26.1	28.5	31.4	31.8	35.4	37.2	48.6	54.7	57.8	74.1	31.7
No	73.9	71.5	68.6	68.2	64.6	62.8	51.4	45.3	42.2	25.9	68.3
Total	100	100	100	100	100	100	100	100	100	100	100

[a]Includes 86 groups with less than 3 physicians that met the AMA definition of group in other important respects.

[b]Excludes 4,250 groups whose videocassette recorder ownership was unknown, 480 groups whose size was unknown, and 304 groups whose videocassette recorder ownership and size were both unknown. Of the groups whose videocassette recorder ownership was unknown, 4,242 responded to the short-form questionnaire and thus were not asked about videocassette recorder ownership.

Table 9-24: Total Groups by Videocassette Recorder Ownership and Census Division

Videocassette Recorder Ownership	Census Division										
	New England	Middle Atlantic	South Atlantic	East North Central	East South Central	West North Central	West South Central	Mountain	Pacific	Possessions	Total
	A. Number										
Yes	148	439	706	591	228	319	336	220	492	10	3,489
No	451	1,082	1,215	1,397	431	765	598	416	1,059	28	7,442
Total	599	1,521	1,921	1,988	659	1,084	934	636	1,551	38	10,931[a]
	B. Percent										
Yes	24.7	28.9	36.8	29.7	34.6	29.4	36.0	34.6	31.7	26.3	31.9
No	75.3	71.1	63.2	70.3	65.4	70.6	64.0	65.4	68.3	73.7	68.1
Total	100	100	100	100	100	100	100	100	100	100	100

[a]Excludes 4,554 groups whose videocassette recorder ownership was unknown. Of these groups, 4,242 responded to the short-form questionnaire and thus were not asked about videocassette recorder ownership.

Groups with some legal forms of organization are more likely to own a VCR than groups with other legal forms (Table 9-25). Partnerships are least likely to own a VCR. Groups that are foundations and "other" legal forms are most likely to own a VCR. Such groups tend to be larger than groups with other legal forms of organization, and larger groups are more likely to own a VCR (see chapter 7).

Business Equipment: Computer Use

Table 9-26 presents the number and percentage of groups that currently use computers for business transactions, clinical records and medical (nonpatient) data retrieval. Groups are much more likely to use computers for business transactions than for either clinical records or medical (nonpatient) data retrieval. About 60 percent of all groups currently use computers for business transactions, only about 23 percent of all groups use computers for medical (nonpatient) data retrieval, and only about 15 percent of all groups use computers for clinical records.

Multispecialty groups are more likely to use computers for business transactions and medical (nonpatient) data retrieval than either single specialty or family or general practice groups. About 76 percent of multispecialty groups currently use computers for business transactions, but only 58 percent of single specialty groups and 50 percent of family or general practice groups do (Table 9-27). Thirty-three percent of multispecialty groups, 21 percent of single specialty groups and 17 percent of family or general practice groups use a computer for medical (nonpatient) data retrieval (Table 9-29).

Multispecialty and single specialty groups are equally likely to use computers for clinical records (Table 9-28). About 16 percent of these two groups currently use computers for clinical records, but less than 10 percent of family or general practice groups use computers for this purpose.

Table 9-25: Total Groups by Videocassette Recorder Ownership and Legal Form of Organization

Videocassette Recorder Ownership	Legal Form of Organization: Sole Proprietorship	Partnership	Prof. Corp.	Association	Foundation	Other	Total
			A. Number				
Yes	38	368	2,549	191	34	283	3,463
No	66	1,228	5,396	357	25	343	7,415
Total	104	1,596	7,945	548	59	626	10,878[a]
			B. Percent				
Yes	36.5	23.1	32.1	34.9	57.6	45.2	31.8
No	63.5	76.9	67.9	65.1	42.4	54.8	68.2
Total	100	100	100	100	100	100	100

[a]Excludes 227 groups whose videocassette recorder ownership was unknown, 53 groups whose legal form of organization was unknown, and 4,327 groups whose videocassette recorder ownership and legal form of organization were both unknown. Of these 4,327 groups, 4,242 responded to the short-form questionnaire and thus were not asked about videocassette recorder ownership or legal form of organization.

Table 9-26: Total Groups by Computer Use

Computer Use	Type of Use: Business Transactions %	Business Transactions N	Clinical Records %	Clinical Records N	Medical (Nonpatient) Data Retrieval %	Medical (Nonpatient) Data Retrieval N
Yes	60.1	5,898	14.8	1,271	22.8	1,953
No	39.9	3,919	85.2	7,307	77.2	6,616
Total	100	9,817[a]	100	8,578[b]	100	8,569[c]

[a]Excludes 5,668 groups whose computer usage for business transactions was unknown. Of these groups, 4,242 responded to the short-form questionnaire and thus were not asked about computer usage.

[b]Excludes 6,907 groups whose computer usage for clinical records was unknown. Of these groups, 4,242 responded to the short-form questionnaire and thus were not asked about computer usage.

[c]Excludes 6,916 groups whose computer usage for medical (nonpatient) data retrieval was unknown. Of these groups, 4,242 responded to the short-form questionnaire and thus were not asked about computer usage.

Table 9-27: Total Groups by Computer Use for Business Transactions and Specialty Composition

Computer Use	Specialty Composition: Single Specialty %	Single Specialty N	Multi-Specialty %	Multi-Specialty N	Family or General Practice %	Family or General Practice N	Total %	Total N
Yes	57.9	4,044	75.5	1,290	50.4	535	60.2	5,869
No	42.1	2,942	24.5	418	49.6	527	39.8	3,887
Total	100	6,986	100	1,708	100	1,062	100	9,756[a]

[a]Excludes 5,430 groups whose computer use for business transactions was unknown, 201 groups whose specialty composition was unknown, and 98 groups whose computer use for business transactions and specialty composition were both unknown. Of the groups whose computer use for business transactions was unknown, 4,242 responded to the short-form of the questionnaire and thus were not asked about computer usage.

Table 9-28: Total Groups by Computer Use for Clinical Records and Specialty Composition

Computer Use	Specialty Composition: Single Specialty %	Single Specialty N	Multi-Specialty %	Multi-Specialty N	Family or General Practice %	Family or General Practice N	Total %	Total N
Yes	15.6	952	15.5	223	9.2	90	14.8	1,265
No	84.4	5,161	84.5	1,214	90.8	883	85.2	7,258
Total	100	6,113	100	1,437	100	973	100	8,523[a]

[a]Excludes 6,663 groups whose computer use for clincial records was unknown, 195 groups whose specialty composition was unknown, and 104 groups whose computer use for clinical records and specialty composition were both unknown. Of the groups whose computer use for clinical records was unknown, 4,242 responded to the short-form questionnaire and thus were not asked about computer usage.

Table 9-29: Total Groups by Computer Use for Medical (Nonpatient) Data Retrieval and Specialty Composition

Computer Use	Specialty Composition: Single Specialty %	Single Specialty N	Multi-Specialty %	Multi-Specialty N	Family or General Practice %	Family or General Practice N	Total %	Total N
Yes	21.3	1,298	33.0	484	16.8	161	22.8	1,943
No	78.7	4,794	67.0	981	83.2	795	77.2	6,570
Total	100	6,092	100	1,465	100	956	100	8,513[a]

[a]Excludes 6,673 groups whose computer use for medical (nonpatient) data retrieval was unknown, 196 groups whose specialty composition was unknown, and 103 groups whose computer use for medical (nonpatient) data retrieval and specialty composition were both unknown. Of the groups whose computer use for medical (nonpatient) data retrieval was unknown, 4,242 responded to the short-form of the questionnaire and thus were not asked about computer usage.

For each application of the computer, large groups are more likely to currently use computers than small groups (Tables 9-30 through 9-32). For example, less than one-half of the groups with three members use computers for business transactions but nearly all groups with 100 or more members do.

Groups that did not currently use computers for business transactions, clinical records, or medical (nonpatient) data retrieval were asked whether they planned to in the next year. Table 9-33 reports the responses to this question.

More groups planned to start using computers for business transactions in the next year than to start using computers for either clinical records or medical (nonpatient) data retrieval. About one-half of the groups that did not currently use computers for business transactions planned to, whereas only one-third of the groups that did not use computers for medical (nonpatient) data retrieval planned to, and only about one-fourth of those groups that did not use computers for clinical records had such plans.

Summary

This chapter reported selected medical facilities available on-site to medical groups, and medical group use of VCRs and computers.

Groups are more likely to have routine radiology and routine electrocardiology on-site than a pharmacy, clinical laboratory, audiology or vision testing facilities. Only about one-third of all groups owned a VCR. More groups were currently using computers for business transactions than for clinical records or medical (nonpatient) data retrieval.

The availability of these facilities and use of this equipment varied by the specialty composition of the group. Multispecialty groups and family or general practice groups were more likely to offer each of the six facilities on-site than single specialty groups. Single specialty groups may be less likely to offer these facilities on-site because these

Table 9-30: Total Groups by Computer Use for Business Transactions and Size

Computer Use	Size of Group 3	4	5	6	7	8-15	16-25	26-49	50-99	100+	Total
						A. Number					
Yes	1,248	1,053	757	527	325	1,050	297	218	80	84	5,639
No	1,711	973	432	206	131	232	39	17	11	3	3,755
Total	2,959	2,026	1,189	733	456	1,282	336	235	91	87	9,394[a]
						B. Percent					
Yes	42.2	52.0	63.7	71.9	71.3	81.9	88.4	92.8	87.9	96.6	60.0
No	57.8	48.0	36.3	28.1	28.7	18.1	11.6	7.2	12.1	3.4	40.0
Total	100	100	100	100	100	100	100	100	100	100	100

[a]Excludes 5,307 groups whose computer use for business transactions was unknown, 423 groups whose size was unknown, and 361 groups whose computer use for business transactions and size were both unknown. Of the groups whose computer use for business transactions was unknown, 4,242 responded to the short-form questionnaire and thus were not asked about computer usage.

Table 9-31: Total Groups by Computer Use for Clinical Records and Size

Computer Use	Size of Group										
	3	4	5	6	7	8-15	16-25	26-49	50-99	100+	Total
					A. Number						
Yes	249	234	168	110	77	207	68	38	18	28	1,197
No	2,469	1,570	852	509	313	825	219	151	54	50	7,012
Total	2,718	1,804	1,020	619	390	1,032	287	189	72	78	8,209[a]
					B. Percent						
Yes	9.2	13.0	16.5	17.8	19.7	20.1	23.7	20.1	25.0	35.9	14.6
No	90.8	87.0	83.5	82.2	80.3	79.9	76.3	79.9	75.0	64.1	85.4
Total	100	100	100	100	100	100	100	100	100	100	100

[a]Excludes 6,492 groups whose computer use for clinical records was unknown, 369 groups whose size was unknown, and 415 groups whose computer use for clinical records and size were both unknown. Of the groups whose computer use for clinical records was unknown, 4,242 responded to the short-form questionnaire and thus were not asked about computer usage.

Table 9-32: Total Groups by Computer User for Medical (Nonpatient) Data Retrieval and Size

Computer Use	Size of Group										
	3	4	5	6	7	8-15	16-25	26-49	50-99	100+	Total
	A. Number										
Yes	365	321	240	157	84	349	131	109	36	58	1,850
No	2,335	1,463	788	458	295	686	170	94	42	27	6,358
Total	2,700	1,784	1,028	615	379	1,035	301	203	78	85	8,208[a]
	B. Percent										
Yes	13.5	18.0	23.3	25.5	22.2	33.7	43.5	53.7	46.2	68.2	22.5
No	86.5	82.0	76.7	74.5	77.8	66.3	56.5	46.3	53.8	31.8	77.5
Total	100	100	100	100	100	100	100	100	100	100	100

[a]Excludes 6,493 groups whose computer use for medical (nonpatient) data retrieval was unknown, 361 groups whose size was unknown, and 423 groups whose computer use for medical (nonpatient) data retrieval and size were both unknown. Of the groups whose computer use for data retrieval was unknown, 4,242 responded to the short-form questionnaire and thus were not asked about computer usage.

Table 9-33: Groups that Do Not Currently Use Computers by Planned Computer Use

Planned Computer Use	Type of Use: Business Transactions %	Business Transactions N	Clinical Records %	Clinical Records N	Medical (Nonpatient) Data Retrieval %	Medical (Nonpatient) Data Retrieval N
Yes	49.8	1,521	27.6	1,224	33.5	1,397
No	50.2	1,531	72.4	3,204	66.5	2,767
Total	100	3,052[a]	100	4,428[b]	100	4,164[c]

[a]Excludes 867 groups that did not currently use computers for business transactions for which planned computer use for business transactions was unknown.

[b]Excludes 2,879 groups that did not currently use computers for clinical records for which planned computer use for clinical records was unknown.

[c]Excludes 2,452 groups that did not currently use computers for medical (nonpatient) data retrieval for which planned computer use for medical (nonpatient) data retrieval was unknown.

facilities may not be relevant to their specialty. Single specialty groups may also gain access to needed facilities through hospital relationships, which are more common with single specialty groups than with multispecialty or family or general practice groups.

Multispecialty and single specialty groups were equally likely to own a VCR, but more likely to own one than family or general practice groups. Multispecialty groups were more likely to use computers for business transactions and medical (nonpatient) data retrieval than single specialty or family or general practice groups, probably due to greater size and hence greater volume of business. Multispecialty and single specialty groups were more likely to use computers for clinical records than family or general practice groups.

The availability of these facilities and use of this equipment also varied by the size of the group. Larger groups were more likely to offer the six major facilities on-site, own a VCR for patient and professional education purposes, and to currently use computers for business transactions, clinical records and medical (nonpatient) data retrieval. Larger groups probably require more technical support and are probably better able to function independently of other providers of medical care.

Appendix A - Reduced Version of the Survey Instrument

CENSUS OF MEDICAL GROUPS

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American Medical Association
535 North Dearborn Street
Chicago, Illinois 60610

Division of Survey & Data Resources
Department of Survey Design & Analysis

Please make any name/address corrections in the space below:

Thank you for your cooperation in participating in this survey. Please complete the following questionnaire and return it in the envelope provided. If you have received duplicate copies of this survey, please complete only one form and return it together with all duplicates in the enclosed envelope.

1. **Is the group organized as defined below?**

   Group medical practice is the application of medical service by *three or more physicians* formally organized to provide medical care, consultation, diagnosis and/or treatment through the *joint use of equipment and personnel*, and with *income* from medical practice *distributed in accordance with methods previously determined* by members of the group.

   Yes ☐ No ☐

   If 'NO', briefly describe how your organization differs from the above: _____

2. **Is the group . . .**

   A. ☐ Multi—Specialty? → Indicate *total number of physicians* in each of the following specialties:

Anesthesiology	
Cardiovascular Diseases	
Diagnostic Radiology	
General/Family Practice	
General Surgery	
Internal Medicine	
Neurology	
Obstetrics/Gynecology	
Ophthalmology	
Pathology	
Pediatrics	
Psychiatry	
Radiology	
Other Surgical Specialties	
Other Medical Specialties	
TOTAL PHYSICIANS:	

   B. ☐ Single—Specialty?

   Indicate Specialty: _____

   Indicate *total number of physicians* in group: _____

3. **What is the *legal form of organization* under which the group provides professional medical services?** *(Check one)*

   - Sole Proprietorship ☐
   - Partnership ☐
   - Professional Corporation ☐
   - Association ☐
   - Foundation ☐
   - Other (Please Specify) ☐ _____

4. Approximately what percentage of group activity (dollar value of business) is related to *a prepayment* mechanism? That is, a contract in which the group either directly or through a third party agrees to provide care to a distinct group of subscribers in return for a predetermined premium? (Blue Cross-Blue Shield should *not* be considered prepayment.) _____ %

5. Which of the following *best* describes the relationship, if any, of the group to a hospital? *(Check one)*

   - HOSPITAL OPERATED ☐
     e.g., the hospital assumes total fiscal accountability for the group, including payment of physicians)
   - HOSPITAL AS LANDLORD ☐
     e.g., the hospital provides space in which the group provides services, and the group assumes total fiscal accountability for the practice)
   - HOSPITAL ASSOCIATED ☐
     e.g., the hospital and the group share fiscal responsibility such that deficits or surplus and operating revenues are shared between the hospital and the group)
   - OTHER (Please Describe) ☐ _____
   - NONE ☐

6. Does the group have a medical director?
Yes ☐ No ☐

7. Does the group employ one or more individuals with the title of:

	Yes	No
A. Business Manager	☐	☐
B. Group Administrator	☐	☐
C. Health Plan Manager	☐	☐

8. Does the group have the following facilities on site?

	Yes		No
	Full Service	Limited Service	
A. Pharmacy	☐	☐	☐
B. Clinical Laboratory	☐	☐	☐
C. Routine Radiology	☐	☐	☐
D. Routine Electrocardiology	☐	☐	☐
E. Audiology	☐	☐	☐
F. Vision Testing	☐	☐	☐
G. Other Major Facilities (Please Specify)			
_____	☐	☐	
_____	☐	☐	

9. Does the group own a video cassette recorder for use in patient education or continuing medical education?
Yes ☐ No ☐

10. Does the group currently use a computer for the following applications? If NOT, does the group plan to investigate computer usage within the next year?

	Currently Use		Plan to Use	
	Yes	No	Yes	No
A. Business Transactions	☐	☐	☐	☐
B. Clinical Records	☐	☐	☐	☐
C. Medical (non-patient) Data Retrieval	☐	☐	☐	☐

11. Does the group pay the following for its physician members?

	Yes		No	Comments, if any
	Partial Payment	Full Payment		
A. Memberships in professional medical associations:				
1. Metropolitan/County Medical Society	☐	☐	☐	_____
2. State Medical Association	☐	☐	☐	_____
3. American Medical Association	☐	☐	☐	_____
4. National Medical Specialty Societies	☐	☐	☐	_____
B. Subscriptions to medical journals (other than benefit of membership)	☐	☐	☐	_____

12. A number of group practice arrangements consist of a parent group with one or more branch or satellite clinics. Does such an arrangement describe your situation?
Yes ☐ No ☐

If YES, please give the names and addresses *(if different from mailing label)* of:

A. *The parent group.*
Name _____
Address _____
(Local Address) (City, State, Zip Code)

B. *The branch or satellite clinics.*
Name _____
Address _____
(Local Address) (City, State, Zip Code)
Name _____
Address _____
(Local Address) (City, State, Zip Code)
Name _____
Address _____
(Local Address) (City, State, Zip Code)

Please include the names/addresses of any additional branch or satellite clinics on a separate sheet of paper.

THANK YOU.

APPENDIX B - LIST OF CENSUS DIVISIONS AND THEIR COMPONENT STATES

Middle Atlantic
- New Jersey
- New York
- Pennsylvania

New England
- Connecticut
- Maine
- Massachusetts
- New Hampshire
- Rhode Island
- Vermont

East North Central
- Illinois
- Indiana
- Michigan
- Ohio
- Wisconsin

West North Central
- Iowa
- Kansas
- Minnesota
- Missouri
- North Dakota
- South Dakota

East South Cental
- Alabama
- Kentucky
- Mississippi
- Tennessee

South Atlantic
- Delaware
- District of Columbia
- Florida
- Georgia
- Maryland
- North Carolina
- South Carolina
- Virginia
- West Virginia

West South Central
- Arkansas
- Louisiana
- Oklahoma
- Texas

Mountain
- Arizona
- Colorado
- Idaho
- Montana
- Nevada
- New Mexico
- Utah
- Wyoming

Pacific
- Alaska
- California
- Hawaii
- Oregon
- Washington

Possessions
- Puerto Rico
- Virgin Islands
- Pacific Islands (Includes: Canton, Guam, Mariana, Marshall, Samoa, Wake)

APPENDIX C: SPECIALTY CLASSIFICATIONS

Anesthesiology
Cardiovascular Diseases
Diagnostic Radiology
General or Family Practice
General Surgery
- Abdominal Surgery
- Cardiovascular Surgery
- General Surgery
- Hand Surgery
- Head and Neck Surgery
- Pediatric Surgery
- Traumatic Surgery

Internal Medicine
- Allergy and Immunology
- Diabetes
- Endocrinology
- Geriatrics
- Hematology
- Immunology
- Infectious Diseases
- Internal Medicine
- Neoplastic Diseases
- Nephrology Diseases
- Nutrition
- Oncology
- Rheumatology

Neurology
- Child Neurology
- Neurological Surgery
- Neurology

Obstetrics and Gynecology
- Gynecology
- Obstetrics
- Obstetrics and Gynecology

Ophthalmology
Pathology
- Bloodbanking
- Clinical Pathology
- Dermatopathology
- Neuropathology
- Pathology
- Radioisotophic Pathology

Pediatrics
- Adolescent Medicine
- Neonatal - Perinatal Medicine
- Pediatrics
- Pediatrics, Endocrinology
- Pediatrics Hematology - Oncology
- Pediatrics, Nephrology

Psychiatry
- Child Psychiatry
- Hypnosis
- Mental Health
- Psychiatry
- Psychoanalysis
- Psychosomatic Medicine

Radiology
- Nuclear Medicine
- Nuclear Radiology
- Pediatric Radiology
- Podiatric Radiology
- Radiology

Other Specialties
- Aerospace Medicine
- Allergy
- Broncho - Esophagology
- Clinical Pharmacology
- Colon and Rectal Surgery
- Dermatology
- Emergency Medicine
- Forensic Pathology
- Gastroenterology
- General Preventive Medicine
- Laryngology
- Legal Medicine
- Maxillofacial Surgery
- Occupational Medicine
- Orthopedic Surgery
- Otology
- Otorhinolarynology
- Pediatric Allergy
- Pediatric Cardiology
- Physicial Medicine and Rehabilitation
- Plastic Surgery
- Public Health
- Pulmonary Diseases
- Rhinology
- Therapeutic Surgery
- Thoracic Surgery
- Urological Surgery
- Urology
- Other Specialty

Appendix D

- Sole proprietorship--a sole proprietorship is an unincorporated business owned by a single individual. Although a sole proprietor may employ other physicians, he or she alone receives the proceeds from the practice and is legally responsible for the practice. The management, delegation of authority and financial policy of a sole proprietorship is dictated solely by the owner, and the group is only as permanent as the owner.

- Partnership--a partnership is an agreement between two or more persons to share in the ownership of an unincorporated business. Each partner is the legal agent of the other and can bind the other by acts, including negligence, just as if these acts were performed by himself or herself. Like sole proprietors, partners are also liable for the actions of employees that are within the scope of their employment. Agreements for sharing profits and losses are usually explicit in the partnership contract. A partnership necessarily dissolves when one partner dies or resigns or when a new partner is brought in. The original partnership agreement may provide for operational continuity of the partnership under such circumstances until a new partnership agreement is formalized.

- Professional Corporation -- A corporation is a legal entity created to exist distinctly from its members. Shareholders' liability for corporate debts and employees' actions is usually limited to the capital they contributed to the corporation and other corporate assets. The individual shareholder, however, is personally liable for negligent acts, and under most professional corporation statutes, a physician is liable for negligent acts committed by persons under his or her supervision. In a few states, shareholders of professional corporations are liable for judgements in professional liability suits, but not for other corporate obligations. A corporation has continuity of life (regardless of changes in shareholders), centralized management, and free transferability of ownership interests. Since only physicians can be shareholders in a pro-

fessional medical corporation, transfer of ownership interests is restricted to other physicians.

- Association - An association is neither a corporation nor a partnership, but includes some of the desirable features of a corporation (centralized management, continuity of organization, and continuity of life) while excluding the undesirable mutual agency of partners. The individual physician does not enjoy limited personal liability, but is not liable for the negligent acts of associated physicians. In some states where professional corporations are prohibited, associations may be formed to gain some of the advantages of a corporation.

- Foundation - A foundation is a nonstock, nonprofit corporation organized under state law for charitable, scientific, philanthropic, religious, or educational purposes. Management is centralized in a board of directors and officers. A foundation is strictly nonprofit, but may accumulate capital assets for the purposes stated in the articles of incorporation. Physicians working in a foundation are employees of the foundation.